

JPRS 83846

8 July 1983

Latin America Report

No. 2704

FBIS

FOREIGN BROADCAST INFORMATION SERVICE

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8 July 1983

LATIN AMERICA REPORT

No. 2704

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ENERGY MINISTER ON OFF-SHORE OIL POTENTIAL

FL221300 Bridgetown CANA in English 0016 GMT 22 Jun 83

[Excerpts] Bridgetown, Barbados, 21 Jun, CANA--Off-shore seismic data indicate there are "substantial structures" off the northwest coast of Barbados and in the Tobago Basin which may have considerable hydrocarbon potential, Energy Minister Clyde Griffith has said here.

He told Voice of Barbados Radio that further seismic work must be done, and Barbados will receive assistance from the Canadian corporation, Petro-Canada, the World Bank and the United Nations Development Programme (UNDP).

"There must be some kind of confidence in these structures (an arrangement of rock strata which geologists study for hydrocarbon potential) that they have considerable potential for these agencies to be seriously interested," he said.

Senator Griffith said that there were indications that there are structures at about 6,000 feet off the islands northwest coast and in the Tobago Basin (which is the area between Grenada, St Vincent, Trinidad and Tobago, Barbados and St Lucia) but at considerable depth.

However, he said the countries involved are not in the financial position to drill wells in 5,000 to 6,000 feet water depths, since even if the technology were available, exploration of one well could cost in the vicinity of six to seven million U.S. dollars.

On the question of Barbados reserves and how long they could last at the current level of production (about 1,000 barrels per day), Senator Griffith said that no one has been able to put a finite figure on the on-shore reserves.

But he noted that at the Woodbourne field in the eastern portion of the island, indications were that there was more than 2.5 million barrels of crude oil.

Senator Griffith added that consultants had also indicated that there was considerable potential at areas such as Fisherpond, Lowthers, the Mount and

Society and even Turner's Hall--cover the parishes of Christ Church, St Thomas, St Andrews and St John.

He said that there were also indications from a well at Fisherpond in the western part of the island from which there was considerable production, some 20,000 barrels before there was a mechanical breakdown, that this field could be bigger than Woodbourne.

CSO: 3298/1272

ICAITI SUPPORTS GASOHOL ; INTEREST GROWS IN REGION

Guatemala City EL IMPARCIAL in Spanish 19 May 83 p 2

[Text] "The use of gasohol is ideal for Central American countries, because it comes from renewable resources, such as sugar cane molasses. Also, the manufacture of gasohol generates jobs and, in financial terms, it represents a considerable savings of foreign exchange," according to ICAITI [Central American Industrial Research Institute] Director Francisco Aguirre.

ICAITI has already conducted studies and trials on using anhydrous ethyl alcohol (gasohol) that have shown positive results, but projects to build a plant with the capacity needed for Guatemalan consumption have not yet proved feasible, because of a lack of financing, among other reasons.

With the construction of a gasohol plant in the neighboring republic in El Salvador, using Venezuelan technology and financing, this fuel will shortly be in use in Central America, and other projects are waiting to be implemented.

Mr Aguirre reported that the CBT company, which is going to build a plant in an area along the southern Salvadoran coast heavily planted in sugar cane, has been highly rated by ICAITI, and he added that there are three projects in Guatemala, one of which is Corfina's, and that there is another project for a gasohol plant in Costa Rica.

Moreover, he said that there is a project under study by the Agrarian Reform Institute in Nicaragua, and this fuel alternative is also under consideration in Honduras. Its advantages are unquestionable, since any vehicle can use it without requiring any mechanical change. The minimum savings in gasoline is about 15 percent, which means millions of dollars in economic terms.

He also reported that besides the Venezuelan Investment Fund (FIV), which is financing the Salvadoran project, there are available funds in other international agencies which are interested in energy and oil conservation in Central America.

9805
CSO: 3248/872

FUEL CONSERVATION SAVES \$2.2 MILLION IN APRIL

Guatemala City EL IMPARCIAL in Spanish 18 May 83 p 11

[Text] Savings of \$2.2 million in fuel were realized in April as a result of austerity measures applied in this area, according to a report this morning by engineer Alejandro Contreras, secretary of mines and hydrocarbons.

The official used tables of figures to explain how this saving was made, and specified that 78,200 barrels of super gasoline were conserved, at a value of 440,000 quetzales, 89,000 barrels of regular gasoline, valued at 490,000 quetzales, and 222,000 barrels of diesel, at a value of 1.2 million quetzales, all adding up to the figure mentioned initially.

The consumption curve, which showed cyclical peaks, suddenly went down beginning in April, when the measure banning sales Saturdays and Sundays and providing for payment of lighted signs, among other things, went into effect.

Total savings from these measures are expected to amount to 29 million quetzales, with the cooperation of the public.

As far as other steps are concerned, he said that Guatemala City put on an exhibit for the National Energy Council of measures that it would take to try to reduce excessive consumption of fuel resulting from poorly organized mass transportation in the urban area. It is currently working on some parts of its program so that it can begin this conservation project in a critical area.

He also referred to the change in time, and said that it will be a hardship until the public gets used to this new time, but that it will lead to considerable fuel conservation, since more work will be performed during sunlight hours.

Complaints Over Electricity Receipts

When he referred to the fact that cooperation by consumers had made it possible to reduce the use of electricity, he said that there was a real contradiction, since as the public made sacrifices to conserve, the receipts of the Electricity Company continued to show increased use and cost. There are repeated complaints to this effect, which should be investigated, he said.

Sacrifices

The mining secretary acknowledged that there have actually been a series of sacrifices made. He indicated that INDE [National Institute of Electrification] is no longer making any profits since it is promoting a decreased use of electricity. The same thing is true of the Treasury, which in any event is no longer collecting taxes on each gallon of fuel consumed.

As Long as the Crisis Lasts

These measures will remain in force as long as the country's economic crisis lasts, the official explained. The restrictions on electricity will remain in effect or valid until the Chixoy hydroelectric plant begins operations in August.

The generation of power, 77 percent of which is now fuel based, will change at that time, since when Chixoy is operating, theoretically it will generate 100 percent of the power.

The Tierra Blanca Well

As for the Tierra Blanca well, which was tested on 8 May, it is still being evaluated, although production was initially estimated at 7,500 barrels a day. However, tests are being conducted to determine how much oil there is underground, and in 2 or 3 days, Elf Aquitaine company will begin production tests for one week, to ascertain the volume of output.

Once this volume is known, then measures to develop this area will be announced and implemented. If oil supplies are sizeable, more wells will be developed, a pipeline will be built, and so forth.

Interest in a Pipeline

There is a great deal of interest in building a refinery in the country, to convert the crude oil into finished products. However, everything will depend on the quality and quantity of our oil, and other important factors, the secretary explained in conclusion.

9805
CSO: 3248/872

ODCA 'PANAMA DECLARATION' SUPPORTS CONTADORA

PA161403 Panama City LA ESTRELLA DE PANAMA in Spanish 14 Jun 83 pp 1A, 10A

["Text" of the "Panama Declaration," issued by the Christian Democratic Organization of America in Panama City on 11 June 1983]

[Text] Andres Zaldivar, president of the Christian Democratic International; Ricardo Arias Calderon, president of the Christian Democratic Organization of America [ODCA] and the Christian Democratic Party of Panama, and vice president of the Christian Democratic International; Rafael Grillo, president of the Christian Democratic Party of Costa Rica and vice president of ODCA; Alfredo Landaverde, president of the Honduras Christian Democratic Party; Julio Adolfo Reyes Prendes, secretary general of the Christian Democratic Party of El Salvador; Alfonso Cabrera, assistant secretary general of the Christian Democratic Party of Guatemala; Adan Fletes, president of the Social Christian Party of Nicaragua; and Fernando Alvarez de Miranda, president of the Humanism and Democracy Foundation of Spain [Fundacion Humanismo y Democracia de Espana], met in Panama, Republic of Panama.

Whereas:

The serious crisis of Central America and Panama, of which the public is well aware, compels all democrats to take positions and contribute their efforts to reach solutions, according to the following principles:

1. The democratization of all the countries of the region is a fundamental condition for the attainment of peace in the area.
2. In order for that democratization to be stable, it is necessary to develop an economic and social development plan that will contribute to solving the severe problems suffered by most of these peoples, with the support of the entire international community.
3. Violence must be rejected as a means of solving conflicts; therefore, effective efforts toward democratization and pacification should be supported.
4. The solution to the crisis of Central America and Panama must be found in a regional and overall manner.

We resolve:

1. To support the holding of a /Meeting for Democracy, Peace and Social Justice/ [words within slantlines published in boldface] that will bring together the region's democartic forces, both political and socioeconomic, who are willing to achieve peace and development based on democracy.
2. To support the positive actions taken by the Contadora Group--urging it to promote urgently and firmly the necessary mechanisms to attain the democratization and pacification of the region--and to call on the international community to lend its support in this regard.
3. To insist on national dialogues, particularly between the governments and their opponents, so that each country's destiny can be forged through democratic practices that include authentic elections.
4. To reiterate the advisability of a meeting among the Liberal, Socialist, and Christian Democratic internationals, to reach a consensus to support a common course of action for democratization and respect for human rights in Central America and America in general.

Issued in Panama City on 11 June 1983.

CSO: 3248/956

DOMINICAN ENVOY ENDORSES CONTADORA INITIATIVE

PA202021 Panama City MATUTINO in Spanish 20 Jun 83 p 8A

[By Roberto R. Rodriguez]

[Text] The Dominican Republic has expressed its official support for the regional Contadora Group initiative to President Ricardo de la Espiriella's government. It also underscored the effort that Panama has been making on behalf of a peaceful solution for the agitated Central American area.

Fulgencio Espinar, Dominican President Salvador Jorge Blanco's foreign policy adviser and member of the PRD [Dominican Revolutionary Party] Political Commission, termed the Central American problem "dangerous and incendiary," should it be internationalized. In Panama, Espinar also urged the Latin American countries to join the Contadora Group initiative.

Espinar said that both the Dominican Government and the Dominican people are concerned, for if the crisis should be internationalized, "it might affect all of us."

During his short visit to Panama, where he met with President de la Espiriella and with General Ruben Dario Paredes, commander in chief of the national guard, Espinar told MATUTINO that Contadora "is a beacon of light pointing to the pacification of Central America." He added that for this reason his country will help, so that Mexico, Colombia, Venezuela and Panama can take specific steps toward reestablishing peace on the isthmus.

"Many are ignorant of the fact that waging war is like playing with fire, and that war can set everything on fire," Espinar said. He added that the Dominican Government wants the regional Contadora initiative "to be expanded."

"We have come to salute and to celebrate the scope and achievements of Contadora," Espinar repeated, after praising Panama's role in the search for peace and its active diplomacy.

Later, while advocating a dialogue among the belligerent parties, including the guerrillas, he said that the conflict is being prolonged every day, causing more deaths, grief and mourning.

He also said that to the extent that the peoples are armed, peaceful coexistence is impossible. Finally, he said that the United States could make important contributions to peace, but he also admitted that forces that are interested in maintaining the present situation as a means of guaranteeing U.S. prevalence on the isthmus exist in that country.

CSO: 3248/956

WINDWARDS, LEEWARDS REGISTER 'MINIMAL' 1982 GROWTH

FL170130 Bridgetown CANA in English 2323 GMT 16 Jun 83

[Text] St Georges, Grenada, 16 Jun CANA--The economies of the seven Windward and Leeward islands--Grenada, St Vincent, St Lucia, Dominica, Antigua/Barbuda, Montserrat and St Kitts-Nevis,--achieved minimal growth last year, according to the East Caribbean Currency Authority (ECCA).

In its 1982 last quarter report, the ECCA, which manages the common currency used by the seven, said the international recession and fall in world trade had been accompanied by a sharp decline in the prices of the primary commodities from which the Windwards and Leewards derive a substantial portion of their income.

"The prices of commodities, particularly sugar, nutmeg, mace, cocoa and arrow-root, which are important to the economies fell substantially during the year," the report said.

In addition to the fall in prices other factors which adversely affected the economies of the OECS [Organization of East Caribbean States] countries included the fall in output of some commodities (notably bananas) and the downturn in the tourist industry in a number of the islands.

According to ECCA, these developments gave rise to a deterioration in the area's balance of payments position and this is reflected in a loss of 25.6 million dollars [1 EC dollar; 37 cents U.S.] in the authority's net foreign reserves.

Analysing the banana industry in the Windward Islands, the report said total exports from the four islands fell in 1982 by 2.7 percent in volume and by 6.5 percent in value as compared with 1981. Actual export figures in (metric) tonnes are 109,970 in 1981 and 106,981 in 1982, relative values being 103.8 million dollars (EC) in 1981 and 97.0 million dollars 1982.

The United Kingdom is the traditional market for Windwards' bananas but, according to a report made to ECCA by the St Vincent Banana Association, stiff competition in that market was faced in 1982 from bananas originating in other parts of the world, as well as from an abundance of other fruits available on the UK market.

On tourism the ECCA said while visitor arrivals to the area may have remained at about the same level in 1981 as in the previous year, earnings are likely to have fallen because some hotels had apparently been offering reduced rates.

St Lucia's stay-over visitors increased by 2.2 percent and cruise ship passengers to the island went up by 78.6 percent. St Kitts/Nevis stay-over visitors fell by 2.4 percent but cruise ship passengers rose by 2.7 percent.

Using the authority's "weighted average index" for the area, the report recorded a drop last year in the rate of inflation.

According to that index, the inflation rate in 1981 stood at 9.5 percent but, in 1982, there was a dramatic drop to 2.9 percent which, the report said, is consistent with the general decline in world wide inflation.

"The lower rate of world inflation in 1982, compared with 1981," the ECCA said, "was brought about by restrictive economic policies, mainly in the industrial countries, and the decline in energy prices due to over supply."

There was a decline in the foreign liabilities appearing on the authority's balance sheet which the ECCA said arose largely out of its indebtedness to the Caricom Multilateral Clearing Facility, a mechanism established for deferred settlement of trade payments within the Caribbean Community.

After being in a debtor position with the facility since it was established, last December the authority moved into a 13.3 million dollars position of credit with a consequent decline in foreign liabilities.

This development was due mainly to a change in payment arrangements for oil obtained within the Caricom region.

In its report for the quarter ending September 30, 1982, ECCA pointed to a continuing fall in the value of money in circulation and said this was an indication of the depressed state of the area's economies.

In its end-of-year, quarterly report for 1982, the authority however recorded an increase of 3.8 percent in 1982 as compared with the previous year. In 1981 the increase was 8.7 percent over 1980 and the small increase in 1982, the report says, reflects the area's lower growth in economic activity in 1982 as compared with 1981.

CSO: 3298/1270

BRIEFS

NEW ORGANIZATION LAUNCHED--Bridgetown, Barbados, 18 Jun, CANA--The Caribbean Manufacturers Council (CMC) was formally launched today at a meeting of more than 20 regional industrialists. An official statement said, "The new body, which is perceived to operate under the umbrella of the CAIC (Caribbean Association of Industry and Commerce) will seek to promote the interests of the manufacturing sector on a regional basis." A meeting of the new body is due to be convened shortly to study the leading issues which confront the region's private sector. President of the Barbados Manufacturers Association (BMA) Henry Vieira was elected chairman of the meeting. [FL201520 Bridgetown CANA in English 2125 GMT 18 Jun 83]

FORMER VINCENTIAN MINISTER DIES--Kingstown, St Vincent, 19 Jun, CANA--Arthur T. Woods, who until his dismissal last April was minister of home affairs, housing, local government and community development here, died today after a brief illness, his family said. The cause of death was not disclosed. Woods, a lawyer, was first elected to Parliament in 1972. He served as deputy speaker as well as speaker of the House of Assembly before being appointed a minister in 1979. No official reason was given for his dismissal. [Text] [FL201520 Bridgetown CANA in English 1722 GMT 19 Jun 83]

CSO: 3298/1270

COMMUNIST PARTY-LED LEFTISTS SEEK COALITION WITH PERONISTS

Buenos Aires LA NACION in Spanish 13 May 83 p 14

[Text] Almost all leftist parties, for different reasons, are waiting for clarification on the internal situation of Peronism.

Communism, various socialisms and similar groups seem to have understood that a considerable fringe of Argentine workers keep speaking the Justicialist language and that "a socialism without workers--as some of their leaders have been describing it in recent years--is utterly ridiculous."

Basically, two opposing attitudes have begun to gestate in this area: one with people favoring fronts, alliances or programs shared with Peronism (Communist Party, popular socialism, unified socialism) and one whose people are betting on an "inevitable" breakdown in the Justicialist Party as a result of its presumed inability to satisfy the demands of its base. This, according to them, will serve as a bridge between the "worker mass" and socialism, a relationship so far showing a deficit.

Groups such as the Movement for Socialism (MAS) and the Workers Party have joined forces in this philosophy.

A few days ago communism decided to launch a series of political contacts to consolidate a voter front and let it be known by way of a press communique in well measures terms.

Such a coalition it would become, "along with the Justicialist Party and the other democratic and popular parties," it said, making clear tacitly where its priorities lay. Fundamentally, uneasiness will also be created by a question of courtesy in radicalism.

The CP is said to be at the vanguard of the left in terms of memberships, "with almost 200,000 registrations, even though it has not processed half of them," as some have alleged.

The Popular Socialist Party, with 70,000 members, reportedly occupies second place. Led by Guillermo Estevez Boero, it advocates creation of a "national command," composed of the two majority parties. This alternative is proposed as "a safeguard against future military coups," but it appears to be based more along the lines of intentions than in reality.

Forced to choose, the PSP leans toward Justicialism and is not to be held in low esteem for supporting its presidential candidates, presenting independent lists for other elective offices. The Unified Socialist Party, led by Simon Lazara, could be playing a similar game and counts on gaining recognition on the national level.

Naturally, such a front will probably be adapted to the minimum number of joint programs and on Justicialism's selecting candidates "palatable" to the left. Any expansion of ultraverticalism would leave it between the devil and the deep blue sea.

Other parties have maintained a greater distance relative to Peronism. Such is the case of Independent Popular Front (FIP) of Jorge Abelardo Ramos, which might present its own list if there is "no return to the flags of 1945," and of authentic socialism of Victor Garcia Costa who would admit only to an alliance with "progressive sectors" of the Justicialista Party or other leftist parties, with the exception of popular socialism with which it has had a long-standing antagonism.

The Argentine Socialist Confederation of Hector Polino and Alicia Moreau de Justo has also come out for a "popular front," but without many specifics regarding its makeup. A more explicit anti-Peronism is evident in this group.

Oscar Alende's people in the Party of Non-compromise (Partido Intransigente) speak of a voters' coalition of non-Marxist Left; its members could be the Peronist non-compromise of Vicente Saadi, authentic socialism and perhaps Christian Democracy. Almost a reemergence, actually, of the Popular Revolutionary Alliance of 1973.

At the extreme of the scale of leftists, far-reaching and defying classification, two groups have emerged with force: the Workers Party (PO) and the MAS.

Both the PO and the MAS, originating from Workers Policy and the Workers Socialist Party of Juan Carlos Coral, radicalize his positions notoriously, which had led people to believe a fusion exists. However, even here there are difficulties. The PO never tires of talking about the "class struggle" and the death of "bourgeois parties." The MAS, which all along the line takes second place, criticized the first for the lack of mention of an expressly socialist program. It also has politicians of greater relative notoriety, such as Ruben Visconti and its own Juan Carlos Coral, whose return from Venezuela is being negotiated.

Both groups are in agreement, otherwise, in remaining successful possibilities in the next constitutional government and in forecasting the Peronist breakup and the "irreversible entrance of the worker class into a socialism without generals or capitalists," in accordance with the classic models in this kind of rhetoric.

One way or another, as can be appreciated, the left is keeping an interested eye on Justicialism. However, one question persists: Up to what point will Justicialism be interested in such joint ventures and in such prospects?

AMNESTY LAW TO INSURE NEXT GOVERNMENT'S STABILITY

Buenos Aires SOMOS in Spanish 3 Jun 83 p 10

[Text] The Coming Amnesty

All indications are that the so-called amnesty law or National Pacification Law (its official title) will not be approved for another 2 or 3 months. The draft is in its final stage, and the eyes of the military and of politicians are focused on the question marks surrounding its final wording.

The army submitted this bill; specifically, it was reportedly Gen Cristino Nicolaides who put it before the Military Junta in the middle of last year. A group of legal advisers of the three branches is currently working on the final wording. The bill consists of 10 articles, 9 of which already enjoy a consensus among the secretaries general of the three branches. The wording of the other article (Article 2), however, has already prompted consultations with the country's most prestigious criminal and constitutional lawyers, in view of the controversial nature of the issue. This article deals with the scope of the amnesty and how long it should be in effect.

Regarding the time frame, the commanders reportedly agree that it should apply to acts committed between 25 May 1973 (the inauguration of Campora's administration) and the definitive formation of the current Junta of Commanders. The purpose of this cut-off point is to exclude the acts of the current military leadership, inasmuch as an extended limit could, it is said, be construed as a "self-amnesty."

Whom is the amnesty going to benefit? The branches have not yet developed a consensus on this point. An officer involved with the bill told SOMOS that several proposals have already been written up and discarded. One of the first ones discussed was reported by NOTICIAS ARGENTINAS a few days ago, in fact. The following possibility is being considered: a broad, unrestricted amnesty both for those involved in subversive activities and for those who went too far in the crackdown.

Another option is to exclude subversive leaders from the benefits of the law. The problem that seems to be unresolved as of now is who will decide who these leaders are. If the law were to specify

names, many would most likely be overlooked. Another possibility is to establish categories of crimes and to exclude the most serious ones. As a concession, some consideration was given to the idea of also excluding Armed Forces and security personnel doing time for crimes they committed under the pretext of combating subversion (there are reportedly between 70 and 100 such personnel convicted of robbery, kidnaping and other crimes).

The approach that seems to have the best chance, however, is a general amnesty without restrictions of any sort. Some military officers have made known their opposition to this idea (active and retired members of the three branches are being consulted), inasmuch as "although the law would put the military personnel involved in the repression in the best legal position, we would see a repeat of 1973, when terrorism gained greater strength after the pardon and the amnesty." Those who defend the unrestricted amnesty cite other reasons to counter this argument. "Campora's government was practically a transition one (Peron was the man in charge), and its hands were tied because of the harangues prior to the election. This is not going to happen this time. Moreover, this law is designed to insure the survival of the next government. If this law is not passed, 2 days into the next government the courts are going to be piled high with suits in connection with acts committed during the repression, most of them just allegations, and they are going to have to begin summoning every officer against whom someone decides to file a complaint. There could be thousands, and because of the publicity given court action, they would be put in the public pillory, even though most were innocent. Moreover, Congress can later debate this law or pass others, but once the government is consolidated, there will be less of a problem."

Those handling the bill have consulted several politicians on the issue, and according to them, the ones with chances of getting elected agree that it should be enacted.

8743
CSO: 3348/430

LEADING FIGURES COMMENT ON DURABILITY OF NEXT ADMINISTRATION

Buenos Aires VIGENCIA in Spanish May 83 pp 16-18

[Article by Ignacio Palacios Videla]

[Text] Responding to VIGENCIA's question (how long will the next government last), Iglesias Rouco said: "I am more worried about how long Argentina is going to last, because if our present trend continues, it will be the nation itself that will be in danger of disappearing, and neither the announced constitutional government nor Jesus Christ himself would be able to save it."

According to journalist Iglesias, the best word to describe the current situation in the country is chaos. The only way to rise out of it is to perform a sweeping overhaul, starting with an acknowledgement of the causes of the chaos and then pursuing a policy that does the exact opposite of what has been done so far. "We have to change the economic, social and political system that has been in force for the last 40 years. It is a totalitarian and corporative system that has tried to operate under a liberal constitution, but it is profoundly at variance with its principles and spirit."

Elections are one of the prerequisites for Argentina to start on the road towards democracy, but not the only or main one. This is one requirement, but it is not enough. The system in force for the last four decades is what has caused the so-called constitutional governments and the de facto military regimes to fail.

Iglesias described this system as follows:

1) As far as the economy is concerned, we can see that the public sector accounts for more than half of the gross national product. Alongside it is a weak private sector whose business is not production but subsidies or the money market. There are 2.2 million government workers serving 7 million Argentine families. No economic or political system can hold up under a situation like this. It becomes ungovernable and creates interests that have nothing to do with the theoretical plans.

2) Politically, this system is characterized by parties with closed leadership structures, without specific programs and run by charismatic leaders: Peron, Balbin and before, Yrigoyen and the conservative bosses. They were camps governed by chieftains without citizen involvement. Everything was decided in the top echelons and the capital. A centralist, oligarchic country was built up. The same thing happened with the labor leadership, which was formed under a single union system that was a carbon copy of the Fascist "Carta del Lavoro." The country thus declined under this system of watertight compartments run by parochial oligarchies whose only objective was to hold administrative power.

This undemocratic system had three main sources of support, two of them economic: domestic savings between 1940 and 1970, and foreign borrowing after 1970. The third source of support was political: the presence of charismatic leaders.

These sources of support are depleted. And yet we are witnessing the contradictory, absurd and irrational spectacle of the beneficiaries of this impossible system defending it in spite of its being unworkable. A political struggle at this time and under the aforementioned conditions is futile and tends to worsen the chaos. We live in a compartmentalized, atomized, disintegrated country. There is no real power in any segment of society, neither military nor civilian. We are witnessing a schizophrenic struggle, divorced from reality and with impossible goals.

The next constitutional government and, above all, the country will have no way out of this unless they recognize these facts and realize the need for a radical change.

Only by changing the system under which we have been suffering for the past 40 years, with constitutional and de facto governments alike, will we be able to begin a new stage that is truly republican and democratic. Such a change demands a minimum consensus among all sectors concerning a few basic points that will make the constitution an effective force and destroy the current corporative and totalitarian society.

Benegas Lynch: Safeguarding Freedom and Private Property

The next government will be an elected government, but that alone does not mean that it will be constitutional. It will become constitutional to the extent that it guarantees and safeguards the individual rights enshrined in the constitution. Otherwise, it will not be, because it will lose the legitimacy conferred on it by the vote of the people.

We must get used to the idea that a true democracy does not stop at the ballot box and that lest it become adulterated, a democratic government must respect the constitution. I hope that the upcoming elections give rise to a truly constitutional government (in the above sense of the word) and that we do not again live under regimes like the

ones of the past, which were guided by the rallying cry "no justice for the enemy," which confiscated papers like LA PRENSA and put it in the hands of the totalitarian CGT [General Confederation of Labor] and which burned down churches and party locals.

To be successful and stable, the next government has to pursue a policy consistent with the social order of the constitution, which is based on private property and personal freedom. I think that this point is essential, because if we repeat the mistake of not respecting the democratic and republican ground rules, we might facilitate the despotism of circumstantial majorities, as happened with Hitler in Germany and here with Peron. Strict limits must be placed on political power, regardless of its origin and which party is victorious.

The March 1976 movement was formed to dismantle the totalitarian apparatus we had inherited, but regrettably, this objective has not been achieved. Since the National Reorganization Process has been exhausted, it is naturally preferable now to hold elections, even if under the disadvantageous conditions dictated by a totalitarian law of professional associations and other carryovers from the past, than to run the risk of lapsing into anarchy or tyranny.

The National Constitution required great effort and cost much blood. In this regard, it is valid and sensible to think about a legal instrument to reinforce its principles, defend democracy and insure the survival of freedom. We must realize clearly that political freedoms are a means of guaranteeing civil liberties and that, therefore, the former cannot be used to destroy the latter. Within this context, I think that Peronism should renounce its past abuses and become part of a democratic and republican system. As far as communism is concerned, it should be barred from participating in the elections.

The role of the Armed Forces under the future government is the one that the constitution assigns to them. In addition to being the constitutional instrument for defending our territorial integrity, they are the armed wing of the constitution.

Political parties are vital elements of a democracy. They must be guaranteed the opportunity to pursue their activities without hindrance, subject only to the constitutional right of self-organization. In this regard, the current Statute of the Parties is an aberration. It does more harm than good and has introduced corrupt political practices, such as buying members, by requiring a minimum percentage of affiliates in relation to the population. A party's membership has a very relative value, because it is always insignificant compared to the number of voters. Independent opinion decides elections at the ballot box.

Power groups should influence and participate in social and political life, but without any sort of privileges. It is absurd to want to exclude the labor unions, for example, from politics, but it is essential,

however, to take away the power and the privileges that they have acquired under the law of professional associations and social benefits, which has given them access to enormous fortunes derived from the pockets of the taxpayers.

The role of the State should be the one that Alberdi specified: the guardian and protector of human rights. Its only role under the constitution is to guarantee an independent justice system, domestic security and national defense. The scourge of inflation is a result of the monstrous size that the State has acquired, as it has become involved in business and monopolized services and activities that are alien to its function, as well as the fault of a monetary and banking system that has made money and credit subject to politics. To end this, we will need an in-depth monetary and banking reform that makes money independent of political power.

I hope that the next government lasts every bit as long as the constitution stipulates, but I think that for this to be possible, it will have to conform to the ideas that I have just outlined.

Sanchez Sorondo: Reconstructing the Republic

As far as Dr Sanchez Sorondo is concerned, the indispensable and difficult task is to reconstruct the republic. This is the essential issue that we face on the eve of the third millennium, and the choice is clear-cut: either we build a democracy within the framework of our long-lasting institutions, or else we will be devoured by the beasts lurking in the dens of despotism or anarchy.

The solution to the political problem is not to advance anew any past interpretation of the principles of the constitution, but on the contrary, to extract the potential elements to be found in its historical legal context. This distinction is of decisive importance.

A national consensus expressed through the ballot box under the representative system of the constitution is an unavoidable condition of any future power structure. This rules out once and for all any military intervention in the sphere reserved for political institutions. Experience has taught us that we should no longer trust in providential agents to bring about favorable change and a stable order. Otherwise, we will have learned nothing from our recent experience.

The reestablishment of a civilian government entails the restoration of the total unity of the State. This specifically means that the Armed Forces must be subordinate to the civilian government and not elude its control, because they are not watertight compartments; they are subordinate, under our constitution, to the supremacy of the nation's president as their commander in chief. The opposite is tantamount is admitting that there are independent power centers, States within States, with the dangerous threat of anarchy in the top echelons of power.

In order for the future democracy to be stable, it will require a balanced structure of order based on a just distribution and harmony among the various interests and sectors. Argentine politics has suffered from a paradoxical situation in which the actors called upon to preserve law and order were precisely the ones that destroyed it. But the fault that lies with the authoritarian regimes should not make politicians overlook their own responsibility in this; they must examine the underlying causes of the weakness of civilian constitutional regimes, a weakness that led to their failure and overthrow.

Reestablishing law and order and reviving the currently lost prestige of authority are essential objectives of the future democratic government. To this end, the parties must be strong, sound and politically healthy; there must be solidarity among their members, and clear thinking in listening to candidates and choosing the finest among them. If this does not happen, the democracy of the masses will once again be undermined from its very foundation.

Within this context, the role that the political elites must play is essential. They will be worthy of the name if they do not divorce themselves from the views of the majority, whose aspirations they should shape and bring up to date.

I think that these are several truths that we must indispensably bear in mind if we want the next government to be stable. With them in sight, it could last as long as the constitution stipulates.

8743
CSO: 3348/430

TRIACA SPEAKS ON LABOR ISSUES, RELATIONS, AMBITIONS

Buenos Aires SOMOS in Spanish 3 Jun 83 pp 30-32

[Interview with labor leader Jorge Triaca by Horacio de Dios; date and place not specified]

[Excerpts] [Question] When did you get back in touch with the union?

[Answer] I had never left it. I was 15 when the famous congress at which the 62 organizations were founded was held, at a time when the CGT [General Confederation of Labor] was intervened by Capt Patron Laplacette, and I was there to tell the directors, who were more than a little harassed, what was going on in Les Ambassadeurs.

[Question] That was when a new bunch of leaders emerged, Vandor among others...

[Answer] And Rucci too. He was a delegate of the Metalworkers Union and one of the leaders of that congress. There was a changing of the guard among labor leaders during this time of outlawed unions.

[Question] And what happened when Frondizi arrived in 1958?

[Answer] The constitutional government lifted the bans, and many of those who had left wanted to return, and the people in the trade unions said no, "wait a minute; we've been here since 1955, during hard times, and you're not just going to come right in and take our posts away."

[Question] When was there another turnover of leaders?

[Answer] In 1975, when we had the Lopez Rega problem, Minister Celestino Rodrigo's plan and the revoking of the agreements. This was a time when the assistant secretaries emerged, because the secretaries, the top echelons of the movement at the time, were at the ILO meeting in Geneva. There was Wimer, from Light and Power; Gimenez, from the textile workers, and Guerrero, from the metalworkers union, as well as others.

[Question] How did the 1976 revolution affect this process?

[Answer] It made a difference. First, some trade unions were intervened, and then, a few days later, others were. In light of these examples, the labor movement addressed the latent danger of intervention. The organizations themselves made changes. The people who were very politically involved resigned to prevent their trade unions from being intervened.

[Question] When were you arrested?

[Answer] Right on 24 March.

[Question] On what charges?

[Answer] None. They told me that there was a long list with the names of all leaders who were going to be detained and for how many years. In my case there was a question mark.

[Question] What posts had you held?

[Answer] I was press secretary of the Peronist Party when Dr Robledo was in, and from 1970 on, when Rucci was elected secretary general of the CGT, I was on the Board of Directors.

[Question] How long were you held prisoner?

[Answer] Four months on the ships, first on the "Ciudad de La Plata" and then on the "33 Orientales," 32 days in Villa Devoto, which I will never forget, and 3 months in Caseros.

[Question] What happened in your trade union?

[Answer] In the letters that I was allowed to write from the ships and that were censored, I asked to be replaced so that they would not intervene the organization because of my involvement in politics. That's when I learned about my trade union's solidarity, because no one even wanted to take my office.

[Question] There are again charges that guerrillas are trying to infiltrate the trade unions. What happened before and what could happen now?

[Answer] As the elections were drawing near, after the murders of Valdor and Alonso and up until Closterman's, which was the last one before Peronism took over the government in 1973, they tried to penetrate the organizations that could have an influence on the labor movement. The big safeguard, the big umbrella was the CGT, where Rucci was the retaining wall against subversive gains. That's why they wanted to get rid of him. They tried to undermine his support along the coast, and the confrontations there were dreadful. Rucci became a spokesman of the labor movement who was totally subordinate to Peron.

[Question] Is there any parallel at present?

[Answer] I don't think that it could happen again. The battle among the radicalized elements is not going to take place in the labor movement. I am very afraid that it could center around the major political parties.

[Question] What's new in the trade union sphere?

[Answer] We can see changes. Peronists are going to become involved in the union today, but they are going to debate specific issues. I can see this in the young people in my trade union. They see the unions, rather than the political parties, as the vehicles for voicing their concerns.

[Question] What is the difference between the CGT Azopardo and the CGT Brasil?

[Answer] It is our understanding that a union must make room for everybody and accept different opinions.

[Question] Even if they are not Peronists?

[Answer] Even if they are not Peronists, but without forgetting about Peronism and while trying to convert them to Peronism. The labor movement must adopt a multiparty stance.

[Question] How are your relations with Saul Ubaldini?

[Answer] Most cordial, even though in certain circumstances we have to call each other nasty names.

[Question] And what about with Lorenzo Miguel?

[Answer] I have been very consistent and very cooperative. I have always had a great affinity for the UOM [Metalworkers Union]. This stems from my great admiration for Vandor. In 1970, when the CGT was formed, three trade unions represented the 62 organizations: the UOM (with Rucci), Sanitation and Plastics.

[Question] Can the two CGT's unite. And on what basis?

[Answer] The possibility lies in allowing the labor movement to revalidate its leaders. There are men here who were leaders up to 24 March 1976, when they were kicked out, jailed, outlawed and sidelined. Their spaces were taken by others. So we have to find out who the real representatives are: the ones from before or the people who replaced them. Each organization has to resolve this with its affiliates in total freedom.

[Question] After Raul Alfonsin spoke out against the alleged military-union pact, the labor minister announced elections in the trade unions. What is your opinion of this?

[Answer] To vote is one thing, and to elect is another. If there is no legal framework for organizing from bottom to top, the only thing that is going to be consolidated is the split in union leadership.

[Question] How can true democracy be achieved without bullying or fraud?

[Answer] Brasil or Azopardo, young or old, we all agree with the law that was enacted when the Congress was in operation. If this law has to be amended, the Congress should do so during the upcoming constitutional session, but a movement that has no authority cannot amend it.

[Question] How can minorities be assured representation?

[Answer] This is an issue that has to be discussed. An organization that defends professional interests, because this is the essence of the labor movement, cannot have majorities and minorities. This distorts the problem, giving rise to political and partisan phenomena. A minority faction has validity in a political party but not in a trade union. A minority in a union organization conditions the action of the majority, which is supposed to solve the workers' problems.

[Question] The majority of the labor movement is said to be Peronist, but not all affiliates of the unions are necessarily Peronists...

[Answer] The institution must not be made Peronist. We have to make Peronists out of the leaders or those who need to play a prominent political role without making the institution run that risk.

[Question] How does Triaca manage not to drag along the entire plastics union in his support of Dr Robledo?

[Answer] This has to be made very clear. What I personally risk with my support is one thing. But I am compromising neither my union nor the CGT Azopardo.

[Question] But the labor movement was always the strong one, and the political party the weak one...

[Answer] In Peronism, the labor movement was always organized, which the party never was. In proposing these changes, we are saying that that the party has to be revitalized so that it becomes the agent of our massive voter support, while still drawing strength from the essence of the movement.

[Question] Almost 9 years after Peron's death, does Peronism still feel like an orphan?

[Answer] Peron's death pointed out to us that we had to develop among ourselves the synthesis that the general alone used to represent. I think that the affiliation data give us an idea of the people's desire to play a leading role. They want to get involved in making the Peronism of 1983 and the government as of 1984.

[Question] Doesn't the decision by both CGT's not to attend the ILO meeting in Geneva make the road to 30 October more difficult?

[Answer] We are showing the government that it has to rectify its economic and social policies so that the institutionalization proceeds along more advisable paths. We are calling for better conditions so that citizens can think about politics and have ballots instead of bombs in their hands on election day. We have to move from a system of wide swings of the pendulum to a stable democracy.

[Question] Would you like to be a deputy?

[Answer] Yes. I'm very enthusiastic about Congress.

[Question] If you are elected deputy, will you continue as union secretary?

[Answer] No. My post has to be filled, but I am going to be thinking about the labor movement while at work.

[Question] Is one post incompatible with the other?

[Answer] The job has to be filled by someone who has enough time to do the work, because if he goes back and forth from one to the other, he'll wind up not doing either of them well.

[Question] What would you like your children to be?

[Answer] What they are. They are doing everything that I didn't. They are disciplined, studious. I want them to be able to get their doctorates and to serve the community, and I want the community to be prepared to reward them for their sacrifices by giving them a real place in society.

8743

CSO: 3348/430

ARMED FORCES TO SEND MORE ATTACHES TO AFRICAN COUNTRIES

Buenos Aires LA NACION in Spanish 5 Jun 83 p 20

[Text] The opening of armed forces attache offices in Argentine embassies in Africa is being considered at highest military levels.

It has become known that there will probably be three representations, one for each of the forces in several additional countries and that one of the considerations favoring the installations of attache offices is based on the need to maintain fluidity of relations with the armed forces of those countries as do the nations of East and West.

Diplomatic groundwork has recently been completed for opening an embassy in Mozambique, and the decree on reestablishment of relations at ambassadorial level with Ghana, is awaiting the authorities' signature.

In addition, agreement for Sr Patricio Perez Quesada as ambassador to Tanzania has been requested; our representation at that level has already been opened in Angola, but a request has been made of the authorities there along the lines of postponing the installation owing to the shortage of suitable living quarters. In fact, it has been learned that the Embassy of Spain is now having difficulties with the centralized installation of all its diplomatic activities.

It must be reported, however, that owing to a request from the Ministry of Economy that all departments of the government effect savings to be earmarked for aid to the flooded areas, the openings of embassies in Ghana and Mozambique may be postponed.

Argentina has on the African continent embassies in Algeria, Libya, Egypt, Ethiopia, Morocco, Senegal, Gabon, Nigeria, Kenya, Tanzania, Tunisia and Zaire, in addition to a representation of charge d'affaires level in South Africa.

In some of those countries, Egypt, for example, armed forces attache offices already exist.

9436
CSO: 3348/450

LABOR MINISTER ADDRESSES ILO MEETING IN GENEVA

FL231827 Nassau THE TRIBUNE in English 16 Jun 83 p 1, 5

[Excerpts] The Bahamas has "an impressive record in adhering to international labour standards," Minister of Labour and Home Affairs Clement Maynard told the 69th session of the International Labour Conference in Geneva last June 8.

It was the first time that an Bahamian labour minister has addressed an ILO plenary session.

According to a release from Bahamas Information Services Mr Maynard told the plenary session that "the Bahamas stands steadfast in its condemnation of apartheid and of the disgraceful application of this policy by South Africa."

Following are excerpts from Mr Maynard's talk:

"I am proud to report that the Commonwealth of the Bahamas has a long history of harmonious industrial relations, resulting from the cooperation of employers, trade unions and the government. Our adherence to international labour standards is demonstrated by the fact that we have ratified 26 of the conventions established by the International Labour Organisation. Our record in human rights matters is unblemished by any mis-steps.

"There are a number of trends in the world economy which my government views with concern. I should like to mention two, as they have a correlation with employment.

"The first is the tendency of the major industrialised countries to take steps to protect their own economics, without sufficient regard to the effect of these steps on the economies neighbouring them and allied countries.

"These actions sometimes cause severe dislocation in our economies, particularly in the economies of developing countries. These actions also contribute to the growth of protectionism, which in turn diminishes the size of the world economy, and the number of jobs available to our individual labour forces. Permit me to give an example, for purposes of illustration only. Some 75 per cent of the gross national product of the Bahamas is dependent on tourism. Yet, some time ago, the government of a country which is one of our major markets, in an effort to diminish its balance-of-payments deficit and reinforce its tax laws, passed a law removing tax exemption for overseas conventions.

We estimate that the convention tax exemptions which are no longer available to the Bahamashas cost our economy \$50 million annually. Now, this is a major sum for the Bahamian economy. This loss also exacerbates the impact of the recession and helps to nullify efforts to create more jobs in order to decrease high levels of unemployment.

"We live in a world of major economic interdependence. Therefore, each government, in considering its national interest and priorities, should have regard to the effects of its actions not only on its own economy but also on the economy of other countries. Thus, independence will become and remain a reality among all sovereign states.

"The other trend is toward structural changes in the Western economies, as the traditional smokestack industries in the West find it increasingly difficult to match the productivity of their counterparts in the East."

CSO: 3298/1271

BRIEFS

MARITIME AFFAIRS OFFICE OPENED--The Bahamas Government continues to promote our country as a ship registration center. The latest event in this effort was the opening of the second internationally-based office of the Maritime Affairs Department of the Ministry of Transport. The office was officially opened by the Rt Hon Prime Minister Sir Lynden Pindling on Thursday, June 16, at the Consulate for the Commonwealth of the Bahamas, 767 Third Avenue, New York. While in New York, the prime minister and the minister of transport, the Hon Philip Bethel, also met with top executives of Japanese (?consular) operations as a follow-up to contracts made earlier this year. [Text] [FL221330 Nassau Domestic Service in English 1200 GMT 22 Jun 83]

CSO: 3298/1271

SUN CRITICIZES GUATEMALA'S CLAIM ON BELIZE

FL201025 Bridgetown CANA in English 1637 GMT 19 Jun 83

[Text] Bridgetown, Barbados, 19 Jun, CANA--The SUNDAY-SUN newspaper here today said Guatemala had no claim whatsoever to any part of Belize and urged the United Nations to take a firm stand on the matter before it developed into another Falklands conflict."

"It is high time that the United Nations took a firm stand on this matter, condemning the antics of the Guatemalans beyond all reasonable doubt," the paper said.

Guatemala's military ruler, General Efrain Rios Montt, has said his country has scaled down its long standing territorial dispute with Belize. He said Guatemala no longer wanted the whole of Belize, only one fifth.

"Before we applaud this change of heart as a concession, it would be as well for us to appreciate that Guatemala, in truth and in fact, has no claim whatsoever to any part of Belize. The general's stand is even less justifiable than the claim of Argentina to the Falklands," the paper said.

It added: "The fact is that the impasse--over the dispute--is of purely Guatemalan manufacture. It makes a mockery of international relationships when all that is needed is to file a claim, however absurd, on the holdings of a fellow member of the community of nations, for it to be taken seriously.

"No one wishes another Falklands conflict. The time to stop it is before it has begun, not after war has been engaged," it added.

CSO: 3298/1272

FOREIGN CREDIT REVIVES IMPORTANT RAILWAY PROJECT

La Paz HOY in Spanish 22 May 83 p 8

[Speech by President Siles Zuazo]

[Text] After an interruption of more than 20 years, President of the Republic Dr Hernan Siles Zuazo officially directed the resumption of work on the construction of the railroad line from Cochabamba to Santa Cruz during a ceremony held this morning at the current terminal of the railroad line at Aliquile-Cochabamba.

The completion of this project will result in something that is highly significant for the country: The link between the country's western and eastern parts.

Here is the text of the speech delivered by President Siles on that occasion:

"It is with patriotic feelings and profound personal satisfaction that I attend this ceremony which is of the utmost historical significance and through which, by decision of the constitutional and democratic government, we now proceed officially to resume work on the construction of the railroad line from Cochambamba to Santa Cruz which had been suspended due to various causes over many years.

"The fact that my administration is charged with providing impetus for this undertaking of the utmost importance to the link between the country's west and east and to continental connections through Bolivia, at a time of worldwide economic recession which hits our country hard and which is getting worse due to factors of a domestic nature which we have to put up with as a part of the heritage of the past, is not something accidental but is part of a policy supported unfalteringly from the very moment I took over as president.

"It is also just homage to the precursor of Bolivian nationalism, President Hernando Siles Reyes under whose stewardship the first section of this railroad line was built to Vila-Vila more than half a century ago.

"We must not forget that it was starting in 1956, after many years of inactivity, that work on this railroad line, which had stopped at the town of Vila-Vila, was resumed under the responsibility of the Directorate General

of Railroads, in order first to reach the town of Mizque and then the current terminal at Aiquile, with an advance of 88 kilometers of rail line, engineering structures and ancillary installations; this was a tremendous effort if we keep in mind the fact that the work was done with the resources of that technical government agency alone and with the determined backing of my administration.

"Because of the circumstances which I have just outlined, the decision made by the democratic administration, the decision to continue with the construction of this railroad line and my personal presence here at this ceremony, have great significance which goes far beyond this purely official act and becomes a demonstration of the materialization of the formal intention to push ahead, with the utmost effort and with all necessary sacrifices, in pursuit of an undertaking which is of importance to the people of Bolivia and therefore has the firm and determined support of the administration elected by the will of the people.

"Although it is obvious that the allocations which the executive branch is pushing for immediate action are rather slim in view of the vast magnitude of this undertaking, it is important to point out that, on the basis of the backing behind this project which is of such great significance, the legislative branch is currently analyzing a bill which would authorize international borrowing so as to complete the work which we are starting here today; my administration hopes that this legal instrument will be approved for immediate promulgation in such a form that the appropriate agencies with sufficient legal backing and with my own personal support, will start steps aimed at getting the funds necessary so that this work will never be suspended again and so that it will become a tangible reality, leading to the long-desired railroad link between the country's western and eastern parts. In this connection, Aiquile--made up of a population of hired workers--today marks a real historical milestone in the great events of the nation's life."

5058
CSO: 3348/420

GOVERNMENT INERTIA VIEWED AS CAUSING FSTMB'S ACTION

La Paz HOY in Spanish 19 May 83 p 2

[Commentary: "The Problems of COMIBOL"]

[Text] The problems of our chief mineral mining enterprise are getting worse more than 3 weeks after the takeover of COMIBOL [Mining Corporation of Bolivia] by FSTMB [Trade Union Federation of Bolivian Mineworkers] to achieve "majority" co-management: Lack of ready cash to pay wages, salaries, and other expenses; lack of tools and work material, with stocks of durable and nondurable articles running out in the company stores. The problem has now been shifted to the administration and that was bound to happen in the short run or in the long run: "The Central Bank does not supply the money, so and so many millions of dollars are required for the replacement of machinery, the purchase of spare parts and to cut prices in the company stores." In other words, we now find that things are not so easy in an enterprise which for many years has been in need of complete reorganization. There are limitations in any type of management setup.

On top of this we have the fact that the problem arising from takeover--co-management or self-management--has not been solved. After the takeover, the citizens assumed, with good reason, that, following the statements by the president of the republic, attitudes would be in line with what was determined by the Political Constitution of the State and the laws. The attitude of the country's chief executive was firm; but unfortunately it was not followed by action: Turning things back toward legal channels.

The weeks went by and the problems--like all of those we have been facing for quite some time--are getting worse. The policy of "muddling through" is hurting the entire country. The miners in turn are demanding government action with respect to the work system that must be instituted; production is in serious danger and of course, since nobody knows what to do, future prospects could turn out to be entirely negative both regarding the lack of prospecting activities and the exploration and exploitation of minerals and the entire supply situation.

As a possible remedy for the troubles facing COMIBOL, the administration, from the moment it came to power, announced the urgency of getting into the area of co-management in the government enterprises but the lack of action which we can observe in various government agencies has meant that this step, which was to be taken through action based on law, now looks like it would have to be imposed by force. This in any case is something that should not happen. But, as in other cases, it is impossible to go back to ideal situations under the rule of law. Now it is important to act to save the Mining Corporation of Bolivia whose output for many years to come will be decisive for the national economy.

OPPOSITION SEES MINISTERIAL CHANGES WEAKENING GOVERNMENT

La Paz HOY in Spanish 18 May 83 p 16

[Text] The appointment of three new ministers belonging to the MNRI [Nationalist Revolutionary Movement of the Left] to the ministries of foreign affairs, industry and commerce, and peasant affairs, is being viewed with skepticism by political opposition sectors.

Talking in strictly personal terms Rene Higuera del Barco, vice chairman of the Executive Committee of the FRI [Revolutionary Front of the Left] stated that Dr Siles increased his share of power in the administration.

The possibility that the MIR (Movement of the Revolutionary Left) might return to the administration fold has vanished and the "transition" government will have problems until before next August, the deadline proposed by the administration for putting UDP (Democratic and Popular Union) together again.

UDP will have no opportunity for vigorously tackling the problems that beset the country if the situation develops in this manner, Higuera del Barco remarked.

Javier Campero Paz, a member of the Political Committee of the Nationalist Revolutionary Historical Movement, in turn felt that the appointment of the three new ministers is a partial solution to the crisis facing the country on the government level.

An overall solution is difficult when it is announced that the functions of the collaborators of Dr Siles Zuazo will run for less than 2 months, he pointed out.

This constitutes confirmation for the opinion of the MIR, when its representatives stated that they did not want to play the role of "strawmen" of the central government, he pointed out. It is necessary to present basic solutions and that will not come about if the MNRI does not participate in the political administration, he argued.

He repeated that it is necessary to propose and spell out formal measures so that these solutions will take care of the underlying problems, he said.

LEAD-SILVER SMELTER MANAGER REPORTS ON FINANCIAL STATUS

La Paz HOY in Spanish 18 May 83 p 6

[Text] The Karachipampa metallurgical complex will show a final cost of \$130,770,709 which is approximately 12 million less than the initial cost figure.

This situation, as explained by engineer Gonzalo Martinez, manager of that complex, is due to the devaluation of the German Mark and the Belgian Franc against the Dollar.

The cost figure given at the project's start in 1979 was \$142 and could at least go up to \$164, by the time we go to print, if we consider the rise in transportation and civil engineering costs as well as interest rates; but, due to the devaluation of the currencies, in which the loan was taken out, the cost shrank to \$130 million.

Out of that amount, \$64.9 million were earmarked for the purchase of machinery, equipment, structural items, and spare parts; shipping charges and insurance premiums added up to \$7.6 million.

Supervision, assembly, and start-up, to be handled by foreign personnel, have a price tag of \$4.3 million and the work itself, done by personnel under the heading of counterpart, calls for an expenditure of \$6.0 million.

Civil engineering construction work costs \$8.0 million; pre-investment expenditures come to \$6.3 million; the start-up operation runs to \$650,000; interest payments during project construction come to \$18.4 million; the rest of the total cost is distributed among consultant fees, price rises, and unexpected expenditures.

According to information supplied by the Karachipampa manager, foreign and domestic loans had to be taken out to cover this investment plan for the metallurgical complex.

Foreign financing, which amounted to \$90,200,294, came from loans given by the German and Belgian governments and private institutions such as Deutsch-Suedamerikanische Bank, of Germany; and Societe Generale de Banque, of Belgium.

Domestic financing amounted to \$40,570,000 and came from two sources; the first one consists of loans from the Central Bank of Bolivia in the amount of \$27,340,000 and the second one came from capital transfer handled by the Mining Corporation of Bolivia and the National Foundry Enterprise, amounting to \$13,150,000.

VIACAVA TO PROMOTE AGRICULTURAL EXPORTS IN USSR VISIT

Sao Paulo O ESTADO DE SAO PAULO in Portuguese 4 Jun 83 p 21

[Text] Brasilia--The director of the Foreign Trade Department (CACEX) of the Bank of Brazil, Carlos Viacava, is going to travel to Moscow in the beginning of July in an attempt to increase Brazilian exports of agricultural products to the Soviet Union by another \$700 million in the next 12 months.

Together with the coordinator of the international department of the Ministry of Finance, Tarcisio Marciano da Rocha, he will be a member of the Brazilian delegation that will participate in the meeting in the Soviet capital. This month, Viacava is going to visit Venezuela and possibly Nigeria, and in August he will return to Mexico to speed up the agreements reached during President Joao Figueiredo's visit.

It is the intention of the Brazilian Government to consolidate the exports of agricultural products to the Soviet market, especially corn, rice and beans. If there had been a greater surplus of corn this year, Brazil would have increased its exports of that product to the USSR. One of the problems in the bilateral trade relationship is the excessive imbalance because Brazil maintains a constant, substantial balance, a situation that is repeated with all the countries in Eastern Europe with the exception of Poland.

Favorable Balance

Last year, Brazil imported \$186.5 million from the Soviet market, mainly oil, and exported \$509.5 million, achieving a favorable balance of \$323 million. With all of Eastern Europe, the favorable balance amounted to \$740 million: Brazil bought \$464 million and exported \$1.2 billion. There was an 87.4 percent increase in Brazilian imports from Eastern Europe and a reduction of 31 percent in exports compared to 1981, and still the imbalance persists.

The Soviet Union is a traditional importer of agricultural products. For the agricultural year July 1982 to June 1983, it estimated a production of grains of 180 million tons and an import of 36 million tons from the United States, Argentina, Canada, the EEC, Brazil and Thailand. Brazil specifically wants to expand its sales of farm products, especially chickens. The USSR will import more and more frozen chickens due especially to production costs in the domestic market. And in that context, Brazilian chickens become a strong

competitor owing to their quality and low price because Brazil produces all of the products that enter into the feeding of the chickens and it has an efficient production, treatment and transportation technique for that product, according to government experts.

Venezuela

Carlos Viacava is going to go to Venezuela this month also for the purpose of increasing Brazilian sales so that there will be a trade balance between the two countries. In this case, in 1982 the deficit was unfavorable to Brazil in the amount of \$500 million as a result of exports of \$470 million and imports of \$970 million, the latter mainly oil.

The trip to Nigeria depends on the government of that country setting a date and it is possible that Minister Ernane Galveas himself will head the delegation. The purpose is to sign a bilateral trade agreement that consists basically in an innovative means of payment for the exchanges of goods proposed by Brazil and still being studied by the Nigerians. The idea is to open an account in the name of the Nigerian Government in a European bank where the dollars paid by Brazil for the import of Nigerian oil will be deposited and frozen for 2 years unless they are used for the purchase of Brazilian manufactured goods.

CACEX is maintaining constant negotiations with Argentina with the aim of regaining that market. The same is occurring with Iran, from which Brazil purchases oil and with which it maintains a trade balance deficit. Negotiations with Mexico have also been constant and will take Viacava to that country after he returns from the USSR.

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CAVALCANTI CONFIRMS PACT WITH ANDREAZZA ON SUCCESSION

Brasilia CORREIO BRAZILIENSE in Portuguese 4 Jun 83 p 3

[Interview with General Costa Cavalcanti; in Brasilia, date not given]

[Text] Confirming that he is a candidate for the presidency of the republic and that there is a pact in terms of the presidential succession between him and Minister Mario Andrezza (the one who has the highest ante to reach the convention will get the support of the other) and that this pact includes complete obedience and loyalty to whatever may be the decision of President Figueiredo with regard to the problem, General Costa Cavalcanti granted an exclusive interview to the CORREIO BRAZILIENSE.

In his modest office of the Itaipu offices in Brasilia located in the Brazilian Petroleum Corporation (PETROBRAS) Building, Cavalcanti spoke for more than an hour about various topics: foreign debt, control of the succession by Planalto Palace, the Northeast, his participation in the public life of the country, and said that he fitted perfectly into the profile outlined by President Figueiredo.

General Costa Cavalcanti was reluctant to talk because he does not "like questions and answers" but agreed to express some opinions on the Brazilian situation. The day before, he had met with Minister Leitao de Abreu, just as he has already met with former President Ernesto Geisel and former President Medici, revealing that he likes to talk "to the great leaders." At all times, he made it a point to say that he is in complete unity with the policies of President Figueiredo, who was his classmate in 1937.

[Cavalcanti] "Figueiredo is conducting the process. He is my old friend; we are loyal classmates and I was even his professor; Andrezza and I..."

Presidential hopeful Costa Cavalcanti, who was minister of mines and energy (Costa e Silva administration), interior minister (Medici administration) and president of Itaipu (Geisel and Figueiredo administrations) and also president of the Brazilian Electric Power Stations Corporation (ELETROBRAS) in the Figueiredo administration, has already been secretary of security of Pernambuco and federal deputy twice, has excellent relations with leaders of the Brazilian Democratic Movement Party (PMDB). Governors Tancredo Neves and Franco Montoro (who were his colleagues in the chamber), Nabor Junior of Acre and Jose Richa of Parana are his close friends. The latter, by the way, aroused the ire of his party colleagues when he said in Parana that "Costa Cavalcanti is an excellent solution."

Following is the interview:

[Question] Minister, you have always made absolutely confirmed predictions about the presidential successions. Are you going to be right again?

[Answer] Now I am suspect. Now I can only speak for one and it is not becoming to say that I am going to be right this time. So this time I am out of the predicting business. For the others, really, from 1974 onward, I was completely right, because I worked for the election of Castello Branco, for Costa e Silva, for Medici, for Geisel and for Figueiredo. In this one, I have a red cord arranged.

[Question] What is the mine map for a person to get to be president of the republic?

[Answer] I do not think that one can get to be president, in my opinion, in a normal process, like falling with a parachute. I believe it is mainly the product of the life the person has had until reaching the stage of being able to aspire to the highest office in the land. Undeniably, the highest political and administrative position in this country is the presidency of the republic. So, that is the result of a whole life: not only the part of experience but also the part of suffering, the part of achievements, the part of knowing men, in terms of knowing when to yield, in terms of not yielding in what is in fact important; to work well so as to discern among many things, which sometimes does not even require a background on a given subject, but common sense, knowledge not only of the administrative life of the country but also of the political life of the country. That is what I believe.

[Question] Minister, the Northeast is always a problem present in national concerns and it seems that that concern has now increased even more. The governors of the Northeast protested against what they term neglect, lack of attention. Do you believe that that protest was valid and that the president's reply can represent a greater unity around his political coordination?

[Answer] I do not believe it was really a protest. I do not consider that a protest, I would call it more a prevailing state of mind in the region because, despite the efforts of the Figueiredo administration--to mention only it, inasmuch as the previous administrations also expended efforts on the Northeast--for various reasons which are perhaps even difficult to evaluate, those efforts did not produce the results aimed at or, I would say, even desired. It so happens that due to a special circumstance in those last 4 years, the Northeast has gone through very difficult situations due to that long period of drought which is rare in the history of the Northeast itself. You used to have a year of drought but immediately afterward there was an average year or a year of rains. At the maximum, that I know of, there were 2 years of drought, and we are already going on almost the 5th year. It so happens that with the development of the country, with the great development in the Center-South region of the country, with the modern means of communication and today, as everyone knows, through radio, television, and newspapers, and combining all that with the situation of political liberalization, of complete freedom of the press, an atmosphere has been created that led those governors--all of them elected--to make that gesture. And it was really the northeastern states, I would say,

that practically saved the situation of the PDS and of the government. Recognizing that situation and united as they are, I believe they are undoubtedly going to achieve a more favorable result for the Northeast. I am convinced that whoever may be the successor of President Figueiredo, he is going to declare not only a priority, as he said, but even more than a priority, very special attention to the Northeast. The Northeast is in need. I believe that the attitude of the governors of the Northeast is valid, and I believe they all make up part of your question; they will go ahead united with the candidate for president.

[Question] Do you fit into this profile outlined by the president?

[Answer] I have already said that I do not like to make a personal judgment because I am suspect to judge myself. But without wanting to speak of the profile that the president outlined, I would say the following: I have administrative experience. I have political experience. In the positions I have occupied in these last 20 years, I have the impression that I was successful. At least, I do not think I was bad. Secretary of security, minister of mines and energy, minister of the interior, president of Itaipu, president of ELETROBRAS; so I have been holding public positions since 1959 and continue to do so. So, I have political experience, administrative experience, that is in the executive branch. In the Legislative Branch, I was a deputy twice. In Itaipu, also, I acquired the experience of dealing with two countries such as Paraguay and Argentina, and I believe that Itaipu, that huge project that is practically concluded without disputes, quietly, was a project that did not give the government any trouble. So, in that aspect, I believe that I have experience. Now, as for the problem of popularity, that is difficult to judge because how can one judge the popularity of a person who is not campaigning, showing himself, being looked at by the people day and night, in a poll conducted in the street? I believe I even began well, because I began with about 12 percent when I had not done anything. In general, people begin from zero and here I am already beginning with over 10 percent of popularity. Now, the problem is to administer crises. I have the impression that the Itaipu Hydroelectric Plant, for example, is being built in a period of crisis and it is going very well. I have no doubt. So that, I believe what we should not do is to let the crisis administer us. We have to seek solutions for the crisis; I believe that is very important. If you let the crisis take charge of you, you will be stunned, even cowed, and there is no way of resolving it. That crisis does not offer us a favorable time for opening direct elections for presidential succession. Because the crisis...and since a month ago, or a little less, he [presumably Figueiredo] has really taken upon himself the coordination of that succession process and I believe, he has never said that, but I believe that, within his great political project, his succession project he considers the most important task he has to fulfill now is to make his successor. And I believe he is striving for that, and I believe he is going to do it. I believe and trust that what he says--that the PDS will appear at the convention with a single candidate--is going to come to pass.

[Question] How do you view the possibility of Governor Tancredo Neves imploding the PMDB, creating another party? Do you believe it can destabilize the party picture?

[Answer] I already have so many problems to respond to for the PDS; let us leave the PMDB with its own problems. I do not want to get into their problems, but I was in favor of the Popular Party (PP) as a party that could very well provide a more stable situation to the country's political party components. But there is one thing, sometimes events occur. So there were events that prevented the continuation of the Popular Party to which my friend Tancredo Neves belonged and the Popular Party was incorporated into the PMDB. So that the PMDB was left thus with the PMDB, and the latter with the old PP [as published].

[Question] They say that you have a pact with your friend Minister Andreazza that whoever has the most strength will get the support of the other. Is there any basis to that?

[Answer] I am a friend of Andreazza's since 1937. We served many years together. We were instructors together. We were ministers together. We have never had any quarrels, nor are we going to have any. So, I talked to Andreazza once: "Andreazza, let us talk."

He was in my house and we talked for a long time. And we agreed completely in the conversation. His viewpoint is exactly mine. The first point is that both he and I calmly accept without any dispute the solution that President Figueiredo coordinates. That is peaceful for Andreazza and for me. Another point on which we also agreed: I told him that my "little bits," as I say, what I get, I will try to stay with him. If my name emerges, he will also do the same. However, if a third person whom the president names emerges, both he and I are going to support him. That was the result. That is the frank talk we had. We are friends of Figueiredo; I am loyal to him; I am his friend; I really like him. So nobody is going to dispute with him. And we believe that he will find the best solution for the country because he is in an observatory, seeing everything, talking to everybody; I believe he will reach a solution.

[Question] And congress, as it is with the electorate, what is the relationship you have with that electorate that is going to vote?

[Answer] I am talking to friends. I have not yet sought out anybody whom I did not know beforehand or was even friendly with. But I have talked. I have talked to some deputies, senators, with some businessmen, with men of the government.

I have been with President Geisel more than with President Medici because he now spent 6 months in the south. I have sought to talk also with those whom I call "big voters." This very day, I had a long talk with Dr Leitao de Abreu. Every time I come here, I visit Leitao in the palace.

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STUDY DETAILS GOVERNMENT EXPENDITURES IN SOCIAL SECTORS

Sao Paulo O ESTADO DE SAO PAULO in Portuguese 8 Jun 83 p 9

[Text] Brasilia--Labor and housing are two social functions that have been undergoing a sharp decline in the general picture of government expenditures, both in relation to the government's total expenditures and to the over-all funds applied in the social sector during the past 5 years. In the meantime, the health area recovered a little and the education area has been definitely growing to the point of, together with social security, totaling 85 percent of the funds expended on social functions. Of the total treasury funds, the federal government grants the ministries in the social area 15.1 percent, according to the last balance sheet for 1982.

That observation was made by the National Human Resources Center (CNRH) of the Institute of Economic and Social Research, an agency of the Planning Secretariat of the Presidency of the Republic. A group was created in the CNRH to study expenditures in the social area, under the coordination of the expert Norival Onofre Kwiatkowsky, which this week concluded a study on the expenditures of the federal government in the social sectors of education, health, sanitation, labor, social security, social assistance and housing.

The executive secretary of the CNRH, Professor Claudio do Moura Castro, emphasizes that this is the best-prepared study in the area of consolidation of public expenditures; however, he refused to make a value judgment regarding its conclusions: "It is not an optimistic or pessimistic study but a well-prepared study on public expenditures," he commented.

In the over-all group of ministries whose functions are regarded as eminently social, the position of the Ministry of Education is predominant. In addition to getting the largest portion of social funds, it has shown significant increases compared to the others, which have remained at the same level or declined.

By budgetary function, social assistance and social security predominates and, added to the educational function, totals 85 percent of the application of funds in social functions. With a smaller outlay, the health and sanitation function absorbed 10 percent of the expenditures, also during the past 5 years, and the housing and labor functions, 5 percent, dropping to 3 percent in 1982.

When the study considers the expenditures incurred by the decentralized administration, the view of the distribution of funds in the federal area is broadened. At 1983 prices, on an annual average, to the treasury funds of 2.7 trillion cruzeiros are added another 7.5 trillion cruzeiros for application in the social area. The largest amount of these funds that are outside the treasury come from parafiscal funds that appear on the payrolls of companies. However, in measuring the total expenditures of the federal government for the combined organs whose activities are predominantly blasted by fiscal or parafiscal funds, a little more than half have been directed toward activity of a social nature.

Analyzing all of the public funds applied in the social area, during the same 5-year period, the federal share varies greatly, being lower in the area of education, for example, in relation to the other administrative sectors. Of the total funds applied in the social sectors, the federal government contributes 63 percent, the states, 26 percent, and the combined municipalities, 11 percent. Taking 1980 as an example, of the total of approximately 2 trillion cruzeiros applied in the social sector, about 816 billion cruzeiros (43 percent) pertained to applications in social security and assistance, the federal government being responsible for 642 billion cruzeiros (80 percent) in that area. However, in education, the federal government contributed 32 percent, with the states being responsible for 53 percent of the expenditures and the municipalities, 15 percent. In the health and sanitation function, the federal government applied 66 percent, the states, 25 percent, and the municipalities, 9 percent.

Of the total expenditures of the federal government in 1983 millions, the ministries in the social area 12.9 percent in 1978; 14.3 percent in 1979; 13.1 percent in 1980; 16.8 percent in 1981; and 15.1 percent in 1982. Of the total expenditures of the federal government, the social functions consumed 27.8 percent in 1978; 30 percent in 1979; 23.9 percent in 1980; 30.2 percent in 1981; and 29.2 percent in 1982.

Taking 1982 as an example, the expenditures of the federal government totaled 9,239,544,000,000 cruzeiros. The social functions accounted for 2,695,612,000,000 divided as follows: 12.4 percent for education; 13.2 percent for social security; 0.3 percent for housing and urbanization; 2.9 percent for health sanitation; and 0.4 percent for labor. The labor function had 0.7 percent in 1978; 0.6 percent in 1979; 0.5 percent in 1980; 0.4 percent in 1981; and 0.4 percent in 1982. The housing function had 1 percent in 1978; 0.9 percent in 1979; 0.3 percent in 1980; 0.4 percent in 1981; and 0.3 percent in 1982.

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SOYBEAN EXPORTS EXPECTED TO YIELD \$2.5 BILLION DESPITE LOSSES

Brasilia CORREIO BRAZILIENSE in Portuguese 4 Jun 83 p 12

[Text] Brazil will obtain exchange revenue this year in the amount of \$2.5 billion from the export of the soybean complex despite the crop losses in Rio Grande do Sul and Santa Catarina.

The amount of revenue that will be obtained from that product this year, therefore, will be \$400 million more than the \$2.1 billion obtained last year.

According to the soybean and corn manager of the Ministry of Agriculture, Lutero Couto, with the losses, Brazilian soybean production will be around 14.5 million tons instead of the 15.5 million tons estimated at the beginning of the year. In the meantime, the loss of the product will be compensated for with "draw-back" transactions (the soybean is imported as bean, the product is processed and reexported) which last year moved 1.1 million tons of soybean.

According to preliminary estimates of the Ministry of Agriculture, the Rio Grande do Sul production of soybean, which before the losses was estimated at 6 million tons, will now be between 5.1 million and 5.4 million tons. With reference to Santa Catarina, the loss will not be more than 100,000 tons. Thus the Santa Catarina crop, previously estimated at 350,000 tons, will now be 25,000 tons.

Up to last week, almost 100 percent of the Parana soybean crop had already been harvested, according to Lutero Couto. However, in Santa Catarina 40 percent of production has not yet been harvested, and in Rio Grande do Sul, somewhere around 25 percent. In the opinion of the Ministry of Agriculture expert, the losses will not have economic repercussions of a general nature since they will not affect the exchange revenue derived from exports, "hurting in a more direct way only the farmers affected, who will suffer great losses."

Expectations Maintained

Lutero Couto estimated that, as was originally forecast, the bean-crushing industry will process 15.5 million tons of soybean this year. Of this total, it is expected that there will be exported 900,000 tons of oil (the same

amount forecast for American exports), 800,000 tons of soybean and 8.7 million tons of soy-meal which, according to studies made by the Ministry of Agriculture will be easily sold on the world market since the level of reactivation of cattle-raising is good in the countries that buy the Brazilian product, such as Japan, the Netherlands, Spain and Germany.

But the same situation is not occurring in the marketing of soy oil because, according to the Ministry of Agriculture expert, in the last 2 months the Brazilian product has been having "disagio" of \$70 per ton as a result of the subsidies that the United States is giving to exports of its product.

These subsidies, within the American "Blended Credit" and "PL 408" programs, provide terms ranging from 3 to 20 years for the buying countries to pay for the purchase of the American oil. Since the purchasers of the product are generally countries lacking foreign exchange, preference is given to the financing advantages not the price advantage, such as offered by Brazil.

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BRIEFS

APRIL INDUSTRIAL PRODUCTION--The Brazilian industrial sector will not present a productive picture for the first half of this year. But in the second half, a small increase will occur in the sector as a result of the improvement of foreign sales of various industrial goods due to the economic recovery of the industrialized countries. That prediction was made yesterday by the secretary of the Industrial Development Council (CDI) of the Ministry of Industry and Commerce, Getulio Lamartine. According to the secretary, there was a 12 percent drop in industrial production during the first 3 months of this year. Through April, the reduction should be around 14 percent. But even so, he considered that some sectors showed "quite good" development, "especially the iron and steel, automobile and electric home appliance areas. Getulio Lamartine said that exports of manufactured goods are doing much better than last year and with the recovery of the industrialized countries, he expects increased sales of capital goods, which have an idle capacity of between 30 and 40 percent. He also predicts an increase in the marketing of raw materials despite the fact that the capital goods sector is not doing well. Getulio pointed out that that segment was benefited by the maxidevaluation of the cruzeiro. To improve foreign and domestic sales, the Commission for Granting Tax Benefits and Special Export Programs (BEFIEC) will not approve plans for importing capital goods machinery just as the CDI will not approve any plan for the factory installation of those goods. Finally, he said that he believes the economic crisis will not be long in ending and he expects the Brazilian industrial sector to be at least at the level of last year, when it was 0.3 percent, a performance considered insignificant. [Text] [Brasilia CORREIO BRAZILIENSE in Portuguese 7 Jun 83 p 120] 8711

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PCCH'S CADEMARTORI NOTES FAILURE OF PINOCHET REGIME

Managua EL NUEVO DIARIO in Spanish 19 May 83 p 11

[Interview with Jose Cademartori, former Chilean minister of economy and member of the Central Committee of the Communist Party of Chile, by Gustavo Ruz: "Alternative Imposed by Imperialism on Third World Countries Has Failed Along with Pinochet"; date and place not specified]

[Text] The "National Protest" of the Chilean people last 11 May managed to shake the dictatorial regime of General Pinochet to its foundations. It demonstrated that the revolutionary flame lit by Salvador Allende's government (1970-1973) has not gone out. A new stage has begun in the struggle of the democratic forces of this South American country. Jose Cademartori, former minister of economy under President Allende and a member of the Central Committee of the Communist Party of Chile, visited our country shortly after that mobilization and talked to us.

Question: What is the preliminary evaluation of the popular mobilization in Chile on Wednesday, 11 May?

Cademartori: The /National Day of Protest/ [in boldface] on 11 May was the culmination of a process of struggle, organization and preparation of the popular movement. It also represents the beginning of another stage of this process.

Since 19 August 1982, there have been street actions and sectorial protests accompanied by sabotage and attacks against the henchmen of the dictatorship. These were part of a growing process which meant greater participation by the people in the antidictatorial fight.

Question: What happened on 19 August 1982?

Cademartori: The first /Hunger March/ [in boldface] took place in the capital and several other cities. It was convoked from the underground by communists, socialists, members of the MIR [Movement of the Revolutionary Left] and several forces that agreed to take the masses into the streets without a commitment with other sectors of opposition to the fascist regime.

Then there were other mobilizations in the following months in which more and more sectors of our people joined. These mobilizations increased in size and intensity and were held in a growing number of cities in the country. That was the situation when 24 March arrived. The day of protest had a much broader scope than the previous ones. The fear that had existed at that time among sectors that did not dare proclaim their discontent with the regime dissipated. The success of that demonstration on 24 March led to the call by the Copper Workers Conference and other union groups for this mobilization on 11 May. It was larger than the previous ones and incorporated all the forces of opposition and used all forms of struggle.

Question: What specific actions surrounded this demonstration on 11 May?

Cademartori: They ranged from the strike to expansion of acts of sabotage, direct confrontations with the police and passive forms of resistance like the slowdown in the industries, school absenteeism by students, etc.

It is true that the starting point was the convocation for a strike by the copper confederation but this was postponed, giving way to the other forms of national and popular protest against the Pinochet regime. Although the news agencies only carried fragmentary reports on the events, it was enough to gauge the magnitude of this mobilization and its national and international repercussions since it revealed the growing weakness of the regime. Imperialist circles and our own people must record the events of 11 May when evaluating the regime's durability.

Question: Is Pinochet staggering because of this?

Cademartori: There must still be actions of much greater scope, more intense battles in all fields in order for the dictatorship to fall. We have never believed that fascism would fall by itself, by the weight of its mistakes or from the serious economic crisis that it has provoked in the country. The dictatorship will only fall as a result of the drive of the popular masses and the size of the antidictatorial opposition movement that can erect itself as an alternative to the present regime. Some requirements are still needed such as a concrete agreement among the different opposition forces concerning practical actions leading to the overthrow of the dictatorship.

This event on which the main and largest labor and student groups and professional associations in the country were able to agree constitutes a very important precedent for the future. This is especially true considering that there is already an agreement among the mass organizations to hold these mobilizations every month: 11 June, 11 July, 11 August and, of course, 11 September, the 10th anniversary of the military coup that overthrew the popular government headed by Salvador Allende.

In short, there is a possibility whose development must take into account the reaction of the dictatorship. It has responded to the drive of the popular movement by striking at it, intimidating the great mass of those districts and communities that were more combative, closing down mass media, etc. The latest reports state that Pinochet ordered "combing operations" in different

districts of the capital, arresting thousands of comrades and trying several hundred of them or deporting them directly to the interior of the territory. It is necessary to point out that some concentration camps like those that existed in the first years of the dictatorship have been reopened. They had been closed by demand of the popular struggle and international solidarity. In other words, we are convinced that our parties and organizations of the resistance that have led to the success of this day remember well the blows that the enemy can deal and are prepared to check them and defeat them. The Chilean people's determination to fight is the best guarantee that this will occur.

Question: Apparently the size of Chilean national discontent is directly related to the result of the Pinochet regime's application of an economic policy based on the monetarist theory of the Chicago School. You were minister of economy under Salvador Allende. How do you evaluate the effects of the application of this model?

Cademartori: The failure of the "Chicago Model" in Chile, Argentina, Uruguay and other countries will have profound repercussions.

It is an economic model imposed on Chile by imperialism primarily because it felt that the political and social conditions established after the fascist coup were the most favorable for this experiment to succeed. It wanted to make Chile a showcase for the alleged successes of the model. It invested enormous sums in propaganda as well as in financial injections into the model itself. It has reached the point that the sectors that created this model no longer hide their disillusionment facing its failure. They are aware that it will be difficult to recover the funds invested given the profound crisis into which they have submerged the Chilean economy.

The practical effect of the billions of dollars given to the regime for the application of the Chicago Model is the near destruction of the productive bases of our economy without creating a replacement, a growth model that would guarantee the stability of the system. Thus, the economic failure has also led to the failure of the social and political system based on it and the collapse of the values and concepts on which this was based. These include: the supreme capacity of private enterprise to take the country out of its backwardness; the idea that the most absolute freedom for national and foreign capital was an indispensable condition to increase the development of the country; the idea that the unions were obstacles to national progress; and the idea that the state had to limit itself to being a passive part of the economic process without interfering in it. These are, in short, a series of myths that were repeatedly inculcated in Chile and other countries for many years. They have now fallen apart. This means the failure of the bourgeois ideology itself as a formula for economic development. It is no accident that many countries are now nationalizing their financial system. The financial system was the heart of the capitalist system in the Chilean model; it was made completely private and handed over to the most powerful economic groups. However, the military dictatorship itself had to intervene to prevent bankruptcy and the loss of jobs for hundreds of thousands of people who had trusted in the system. Nor is it an accident that the existence of the capitalist model based on the growth of large enterprises, monopolistic groups, is being questioned in Chile

and other countries. A consensus is forming in the country that private monopolies cannot exist and that the state must play an essential role to take the country out of backwardness. Our country had already achieved notable successes several decades ago in the formation of a national industry and a less dependent economy.

In short, the failure of the economic model of the dictatorship is the failure of the model that imperialism has tried to sell or impose in Latin America and the Third World in general. This leaves room for the popular and anti-imperialist forces on our continent to open the way with a program of economic restructuring based on national independence and on the majority interests of our peoples.

Question: How do the revolutionaries of the Southern Cone view our revolution and the struggle of the Central American peoples?

Cademartori: All the revolutionaries in Central America are writing heroic, glorious and important chapters in the anti-imperialist and revolutionary struggle of the entire world.

It is no accident that all the mass media in the world constantly watch what is happening here and the president of the main imperialist country in the world almost daily tries to convince his people that "the national security" of the United States and the fate of mankind are at stake in this region. To us, it is not just a matter of observing but giving our active solidarity on all levels to the struggle of the peoples of Central America.

The consolidation of the Nicaraguan revolution is very important for Latin America. We see it as an original revolution. Without discrediting the objective and scientific achievements of all revolutions, it contributes a very large dose of its own elements that emerge from the characteristics of the Nicaraguan people and the conditions in which their battle was fought. They teach very important lessons to the peoples on the continent.

The Nicaraguan revolution is Latin American. It is the continuation of the victorious fight of the Cuban people that opened the way to socialism on the continent. Whether the imperialists like it or not, the example of the Nicaraguan revolution is inevitably being absorbed, weighed and assimilated by all the peoples who fight, especially those who have had failures and setbacks in that struggle in their respective countries. Therefore, we can state that one of the crucial battles in the fight against imperialism is being fought here. The crushing defeat of the counterrevolutionary attacks unleashed by imperialism from Honduras and Costa Rica inspires our peoples and convinces them that revolutions are defended with arms and with the heroism of the peoples who choose the alternative presented by Sandino: free fatherland or death.

We also observe with interest the progress of the struggles in El Salvador and Guatemala which, sooner or later, by one road or another, other peoples of the region will experience. That seems inevitable to us and constitutes a source of inspiration for our own struggle which is enriched by these important experiences that are part of our own emancipation ideal.

BRIEFS

PRODUCTION COUNCIL PRESIDENT--President Luis Alberto Monge has said that he will accept the resignation of Rodolfo Solano Orfila, executive president of the National Council for Production. Monge said that Solano Orfila will be appointed to some other post in public administration. [Summary] [San Jose Radio Reloj in Spanish 1200 GMT 15 Jun 83 PA]

RURAL POLICE DIRECTOR--Colonel Jose Benito Zeledon Gonzalez has resigned his post as General Director of the Rural Police. Deputy Government Minister Enrique Chacon will temporarily assume his functions. [Summary] [San Jose LA REPUBLICA in Spanish 2 Jun 83 p 2 PA]

FRG COOPERATION--The Costa Rican and FRG governments yesterday signed a technical and economic cooperation agreement by which the FRG will provide 19 million deutsche marks for various programs. Acting Foreign Minister Ekhart Peters said the FRG cooperation will help Costa Rica to continue development projects. The projects that the FRG will study include those of lumber development, a hydroelectric project, agricultural projects, and cultural programs. [Summary] [PA180411 San Jose Radio Reloj in Spanish 1200 GMT 15 Jun 83 PA]

NEW POLISH AMBASSADOR--Polish Ambassador Zdzislaw Szewczyk yesterday presented his credentials to President Luis Alberto Monge. [Summary] [PA180411 San Jose LA REPUBLICA in Spanish 9 Jun 83 p 2]

INVESTMENT OFFICE IN U.S.--Roberto Lobo Araya, director of the Export and Investment Promotion Center, has announced that the government plans to install an office soon in the United States, possibly in New York, to attract investment capital to Costa Rica. [Summary] [PA180411 San Jose Radio Reloj in Spanish 1200 GMT 17 Jun 83]

SECURITY CHIEF'S DISMISSAL--Francisco Tacsan Lam, director of the National Security Agency, has been dismissed. Tacsan has not commented on his ouster. [Summary] [PA180411 Panama City ACAN in Spanish 0014 GMT 17 Jun 83]

DEBT OWED COUNTRY--As a result of the difference in trade exchange, the Central American countries currently owe Costa Rica \$135 million. The debt may

be broken down as follows: Nicaragua, \$105 million; El Salvador, \$12 million and Guatemala, \$20 million. [all figures as heard] A solution to the problem is being sought. Our country faces a crisis. It cannot finance the other countries of the region, said an official of the administration, because we need foreign exchange to continue our trade. [Text] [PA142216 San Jose Radio Reloj in Spanish 1200 GMT 14 Jun 83]

CSO: 3248/953

STRATEGIC EXERCISE ENDS; ANALYSIS OF RESULTS BEGINS

FL251148 Havana Domestic Service in Spanish 1045 GMT 24 Jun 83

[Text] The Bastion '83 strategic exercise has concluded successfully. As scheduled on the plan of activities, Commander in Chief Fidel Castro ordered the Bastion '83 strategic exercise ended in all the national territory.

Fidel gave instructions to immediately begin the analysis process of the exercise results to ensure improvement of the structures, mechanisms, and planning used by the state directorate's central and local bodies under a war posture.

Preliminary reports at hand lead to the conclusion that the state directorate's bodies in all the provinces and municipalities performed satisfactorily in the analysis of the situation and in making the decisions to fulfill the various national defense plans under several different scenarios covering enemy actions in case of an attack on Cuba.

The tests and practice exercises which made up the Bastion '83 strategic exercise demonstrated once again--above all in the municipalities and in the country's defense zones--the high revolutionary and patriotic attitude, esprit de corps, ingenuity, and discipline of our people. The blackout exercises conducted by the civil defense in the municipalities of Havana were an example of the high combat readiness of the people, party, state bodies, and mass organizations. Without affecting the usual work and with redoubled efforts which required long hours of work on the part of all participants, the Bastion '83 strategic exercise more than fulfilled its objectives.

CSO: 3248/955

ESPIN MARKS ROSENBERG EXECUTION ANNIVERSARY

FL212232 Havana Domestic Television Service in Spanish 0032 GMT 21 Jun 83

[Speech by Vilma Espin Guillois, alternate member of the Politburo and president of the Federation of Cuban Women at FAR Universal Hall in Havana--live]

[Summary] Thirty years ago, Ethel and Julius Rosenberg were unjustly executed. They were dedicated to the U.S. working class, favored the Republicans in the Spanish Civil War, and worked to help those who lost their jobs because of their political affiliation. They suffered in the infernal Sing Sing Prison for their activity.

The repression under McCarthyism was brilliantly foreseen by Jose Marti, who was moved by the "police assassination" of the Chicago martyrs [labor leaders hanged for involvement in the 1886 Haymarket bombing]. Yankee justice was later responsible for the "vile assassination" of Sacco and Vanzetti and for the Rosenbergs' death. The Rosenbergs were not spies, they were victims.

McCarthyism was a sad epoch in the U.S. history. During the cold war, the United States used the fear of supposed Soviet aggression to justify trying to "preserve its nuclear monopoly and its role as international gendarme." "They [U.S. leaders] really feared the hope of liberation and of a more just and worthy life, which the example of the socialist countries was awakening in all the countries of the planet."

"Those leaders who today pretend to believe that the revolutions of Cuba, Nicaragua and Grenada constitute a serious danger to their security, and who, in ridiculous political infantilism, pretend to be afraid of a civil airport in the Caribbean, two helicopters in Managua and an antenna field in Havana, were very powerful and proud 38 years ago, of their atomic hegemony over the world, which was monstrously affirmed, with no scruples whatever, in the criminal bombing of Hiroshima and Nagasaki." U.S. leaders were disturbed when the Soviets acquired the atomic bomb and their anger culminated in the [word instinct] charges against the Rosenbergs.

The Rosenbergs knew that justice was in the hands of the dominant classes, but they struggled bravely. Many people around the world, of all political beliefs, took up their cause. U.S. authorities offered them clemency if they confessed--they refused.

In the 30 years since the Rosenbergs' execution, the same conditions have prevailed in the United States, as shown by the cases of the Wilmington 10 and Angela Davis.

Considering the current U.S. President, "one of the most active and unscrupulous servers of McCarthyism," it is not surprising that U.S. leaders use prepotent and dangerous language that recalls the cold war. "U.S. imperialism is getting more and more aggressive in trying to impose its criminal designs on peoples," and ignoring human rights. For example, their blockade of Cuba, their war against the Vietnamese people and their use of the atomic bomb and chemical weapons, so that monopolies and transnational corporations could continue to exploit underdeveloped countries. They are now preparing for cosmic war and supporting fascist countries around the world. They leave thinking people with no choice but to fight.

Reagan is dragging his people toward fascism. This is evident in his speech last month in Miami to Cuban exiles, and in threats against Cuba made by Senator Barry Goldwater.

Our defenses are strong with 500,000 troops ready to defend our territory, even against an attack initiated by U.S. armed forces. The peoples of the world are ready to defend their liberty.

We hope for a future of peace and the "undying example of the Rosenbergs confirms that even under the most adverse conditions, there are those who are ready to fight to the last breath for reason, liberty and the future; for peace, bread and roses." "We will fight for everying they loved." [applause]

CSO: 3248/955

BRIEFS

SOCIALIST INTERNATIONAL MEETING--Mexico City--Leaders of the Socialist International [SI] have condemned the aggression against Nicaragua, the installation of U.S. military bases in Honduras and the contradictory statements made by the U.S. special envoy to Central America. The Latin American SI vice presidents, who have met here since 14 June, also endorsed the Contradora Group's efforts to find a negotiated solution to the Central American conflict. In a document released at the end of their meeting, the SI leaders stated that preservation of peace in the region requires strict compliance with the principles of self-determination of all peoples, of nonintervention and of the peaceful solution of controversies. They also rejected every parallel action designed to propose formulas which might depart from the course followed by the Contradora Group and charged that the peace efforts are being jeopardized by the aggression against Nicaragua by Honduran mercenary troops. [Text] [FL171357 Havana Domestic Television Service in Spanish 1100 GMT 17 Jun 83]

REAGAN-MAGANA MEETING CRITICIZED--The master and his puppet held a meeting last Friday at the White House in Washington, during which the latter made frequent use of the phrase "yes, sir," according to reports. They were Ronald Reagan and Alvaro Magana, the latter the so-called president of El Salvador's Provisional Government, well-known for its appalling crimes and total submission to the United States without whose military and economic support it would not last 5 minutes. After receiving instructions from his protector, Magana said he was pleased with the talks, during which he said he had requested additional military and economic aid for his regime under the pretext it would be used to defend freedom and democracy. Equally cordial was the appearance of the Salvadoran puppet before legislators at the Washington Capitol building, where Magana acknowledged that the situations of human rights in his country is difficult, according to his own statements. In recent years some 40,000 Salvadorans have been murdered by the army, police, and death squads of successive antipopular regimes, including the one Magana now presides on behalf of the United States. [Text] [FL181102 Havana Domestic Service in Spanish 1000 GMT 18 Jun 83]

WOMEN VOLUNTEER FOR MILITIA--Over 42,000 FMC [Federation of Cuban Women] members from Guantanamo municipality have expressed their readiness to join the Territorial Militia Troops. That figure represents 70 percent of the

total FMC membership in Guantanamo municipality. Up to the moment, Guantanamo Province has over 73,000 women ready to pick up weapons and work tools to perform any task, in the foxholes or in the rear guard, should the imperialist enemy attempt to attack the revolution. [FL201905 Havana Domestic Service in Spanish 1700 GMT 20 Jun 83]

CSO: 3248/955

PAPER DISCUSSES VARIOUS NATIONAL ISSUES

Population, GDP

Santo Domingo LISTIN DIARIO in Spanish 21 May 83 p 6

[Editorial: "An Appeal More Than A Lecture"]

[Text] Tomas? Who? Jimmy. Oh, let us listen to him.

Engineer (member of the engineers' association) Tomas A. Pastoriza has given a lecture at the Association of Industries conferences that has generated much repercussion.

In the main point of his lecture, he covered four or five details which as a whole cause great concern.

First, a large population growth. Second, very slow growth of the Gross Domestic Product, the famous GDP. And third, a big drop of the rate of investment.

The result is a very high rate of unemployment. The projection for 1990: an astonishing unemployment rate.

A comparison of data for two consecutive 5-year periods, 1972-77 and 1977-82, may offer similar results in many countries, including industrial ones, but perhaps not declines of such a magnitude.

Furthermore, not all such countries have the high population growth of the Dominican Republic, although it certainly has dropped over recent years.

But the sensible and urgent action required is a bold, joint and intelligent struggle against such imbalances.

Pastoriza has been one of the most dynamic and constant advocates of Dominican development. He has been associated with almost all endeavors to tackle the economic, social and cultural problems of the Dominican people as an exercise in civic responsibility and as a social obligation.

Apparently, one almost never knows for certain whether Pastoriza is coming or going.

But the truth is that Pastoriza's concern and effort have been constant for many years.

For instance, he has made many and continuous efforts on technological innovation, population problems, promotion of investments and exports, modernization of education, foreign assistance, and promotion of efficiency in operations of our economy.

Several recommendations in his lecture are guided by such concerns.

However, they centered on greater savings and investments.

He has said it now with a sense of extreme urgency, citing distressing projections.

A participant in many seminars and round tables, Jimmy interrupts when the discussion is going astray to say: "Gentlemen, what is it that we are discussing?"

His lecture now is a vigorous appeal for savings and investments.

He has done it in such a dramatic, clear and persuasive manner that it appears it will cause awareness and will result in action.

Majluta on Agrarian Reform

Santo Domingo LISTIN DIARIO in Spanish 24 May 83 p 6

[Editorial: "A Majluta Speech"]

[Text] Last Friday night, Jacobo Majluta, president of the Senate of the Republic and of the Dominican Revolutionary Party (PRD), made an important speech at a dinner hosted by the Dominican Institute of Certified Public Accountants. The speech was full of solid information on the many economic problems that are affecting the Dominican people and, to a greater or lesser degree, almost all nations of the world.

With a clear vision of the economic problems, Majluta discussed the weak points. These included agrarian reform, on which we share his viewpoints.

Majluta said: "Agrarian reform programs should play an important role on raising the income of peasants, but can only contribute to that objective if they are based on proper respect for private property."

Discussing the profitability necessary to assure farming productivity, he likewise said it is "imperative that agrarian reform lead to the formation of new groups of efficient farm owners who can perform their work without fearing being displaced by political considerations which destroy the fruit of many years of hard work to develop production."

It is an undeniable truth that the security and stability of farming, in the hands of traditional private growers or of agrarian reform plot holders, is fundamental for the development of large-scale production that would lead us to the highest levels of development.

The prominent Dominican politician's speech was quite lengthy and has generated varied comments because of his clear method of explanation.

We believe the best way to resolve national problems is to present them clearly, without manipulation, so that everyone will join in on the grand enterprise of rescuing the country from twisted paths and of guiding it on a path of renewed prosperity.

Exports Development

Santo Domingo LISTIN DIARIO in Spanish 4 Jun 83 p 6

[Editorial: "The Arthur D. Little Report"]

[Text] The Arthur D. Little report, prepared for the AID, primarily is aimed at showing what is required to develop Dominican exports to the desired level.

It also argues that policies applied thus far are insufficient, and in some cases counterproductive.

Therefore, the report must be seen essentially as a study on Dominican exports and their development, and not as a general study on the Dominican economy.

It is clear that the document briefly discusses the general situation of the national economy.

It points to the enormous balance of payments deficits over the past 3 years.

It also points to the big fiscal deficits over the same period.

It is clear to us that this is past history for such deficits already have been paid.

How were they paid?

Balance of payments deficits were paid with foreign indebtedness, which now hovers over us oppressively.

The debt is the problem of the day.

The public sector deficits, and even of the private sector, also have been paid.

They were paid with the monetary devaluation.

A large foreign debt and devaluation of the currency have been the price for those foreign and domestic deficits.

The problem we have to face is: foreign debt and currency devaluation.

We are convinced that this year's balance of payments deficit will be quite moderate because plainly speaking almost no one grants credit to our country.

Therefore, it has to pay for what it buys abroad with the foreign exchange it earns, not to mention the huge payments it has to make to amortize debts and pay interests.

It is a foreign economy on a cash basis.

Of course, it is the long-term foreign debt at moderate interest rates that still ties our future to international aid organizations. It could become an enormous problem if Dominican production does not increase substantially and consistently.

The Arthur D. Little report says that annual investments of about \$1 billion will be needed to develop exports to the required level.

We believe that our country does not have the capacity to invest \$1 billion annually effectively.

But we do have a brilliant capacity to squander that sum lavishly.

We have repeatedly criticized our country's economic policy, or lack of policy.

However, we have a more optimistic view than that of the report, although many of its observations are well justified. We will try to explain ourselves in another editorial.

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CSO: 3248/887

NATIONAL PLANNING OFFICE ISSUES PROGRAM

Santo Domingo LISTIN DIARIO in Spanish 28 May 83 p 12-A

[Speech by Ramon Alburquerque, technical secretary to the president, before the National Development Council; date and time not given]

[Text] Ramon Alburquerque, technical secretary to the president, outlined the objectives of the investment program proposed by the government.

Indicating the importance the present administration attributes to investment planning, Alburquerque said in a recent speech to the National Development Council that the administration is in the process of securing overall financing for the plan.

Here is the text of his speech:

Introduction

In accordance with the platform presented during the electoral campaign by then candidate Dr Salvador Jorge Blanco, the Technical Secretariat of the Presidency, through the National Planning Office, has compiled all economic and social policies on the sectorial level and, pursuant to overall policy, has drawn up this document in preliminary form. Today we present this document to the Honorable National Development council for its consideration.

The changes in economic policy that can be seen in this document, in comparison with the electoral platform, are inherent in the need to adjust it to the country's changing economic and social reality.

The document was prepared on the basis of the definition of the government's economic and social policy, and the Technical Secretariat then proceeded to draw up the 1983/85 Public Investment Program.

The National Planning Office established the general guidelines, and through the representative entities of the various sectors, it obtained a definition of the policies that are in effect at present. It also compiled a list of existing projects, in the various stages of feasibility studies, negotiation and execution. Thus, this document, "Policy Guidelines and Investment Program 1983/85," represents a planning effort by the principal entities of the

public sector. The main function of the National Planning Office (ONAPLAN) has been to provide coherent data to complement that document, so that it can be adapted to the objectives and goals determined by the government.

We will present here a list of the objectives of the document "Priority Areas, Inventories of Projects, etc."

Finally, I would like to state that the 1983/85 Public Investment Program is in the final drafting stages, and we will submit it to the National Development Council soon so that the original version can be discussed.

Presentation of "Policy Guidelines and Investment Program 1983/85 to Government Council

Objectives

The Technical Secretariat of the Presidency, through the National Planning Office, took on the task of drafting the document entitled "Policy Guidelines and Investment Program 1983/85."

The "guidelines" constitute a synthesis of the government's view of the country's situation; they define its objectives and policies and establish the investment program to put those objectives into practice. As such, the document will lend greater unity and coordination to the various functions of the public sector, in accordance with the directives of the Executive Branch. It will also help the public sector to define its expansion programs within a framework of security and confidence, and will facilitate external financial negotiations.

Stages in Drafting of Document

ONAPLAN finished the rough draft of the document in February. It was considered a means of "harmonizing" the public sector, and was submitted for discussion among the various elements of that sector. It was also evaluated by the Consultant Group of the Technical Secretariat of the Presidency, attached to ONAPLAN, and by an important technical mission from the World Bank. In the recent negotiations with the Inter-American Development Bank, the "Guidelines" document served as a useful reference tool. In addition, it was drawn up with the assistance of the United Nations Development Program. The document is now being rewritten, taking into consideration the suggestions received.

Technical Characteristics of Guidelines

The most important technical characteristics of the document are that:

--It involves a "Projects Plan;" that is, the various objectives must be expressed in terms of specific courses of action: projects and policies.

--The definition of the objectives stems from an analysis of the structure and functioning of the economy and of the government's political options.

--The tasks of investment feasibility studies, scheduling and follow-up constitute the operative support of the "Guidelines and Investment Program."

--The methodology adopted entails the constant adaptation of the document. The document is not an academic exercise, or a rigid system of postulates and projects; through successive improvements, the political desire to accelerate economic growth, improve the population's living conditions and normalize economic and financial relations with other countries will be reflected in this document.

Contents

The substantive orientations of the document aim at maximizing the impact of public spending, mobilizing the investment capacity of the business sector, exploring the possibilities for productive expansion on the basis of the domestic market and the external market, and attracting foreign investment to areas given priority.

Maximize Impact of Public Spending

The increased impact of public spending is linked to the following objectives:

- Increased efficiency of investments
- Development of production
- Improved employment conditions

The actions designed to improve the impact of public spending are as follows:

--Give priority to projects already begun or committed.

For this purpose it is necessary to accelerate the disbursements from approved external budgets, also increasing matching funds if necessary.

Properly planned allocation of internal funds will lend regularity to construction programs, and thus to the general level of economic activity.

These investments will enhance efficiency, because in many of these projects major financial contributions have been made without the projects reaching the production stage. At the end of these projects, major agricultural areas would begin production, with a significant impact on employment and the balance of trade.

The impact on employment, according to a recent PREALC [expansion unknown] study, amounts to some 700 direct additional jobs for every \$1 million in external credit for an increase in matching funds.

"The equivalent of \$10 million in internal credit for increasing matching funds would contribute to the creation of as many jobs as are expected to be generated by the entire Santo Domingo Housing Program" (PREALC Study).

--Plan for complementary actions to guarantee the proper functioning of the large projects contemplated in the above section.

These complementary actions refer to small projects that must be implemented in order to ensure that certain hydrological works come on line (e.g. local roads, storage plants, housing, etc.) or that a given service is provided in adequate quantities.

--Review technical options in the large projects in order to reduce costs and increase the share of local resources (materials, technology, manpower).

In projects such as those planned for the Sabaneta area of influence (PRISA), Bajo Yaque (BIN) and others, costs could be cut substantially without affecting the objective of the projects.

--Rationalize and improve the organization of the public sector, to permit increased use of the available infrastructure and the coverage of the services rendered by the government.

--Mobilize the investment capacity of the National Private Sector.

The courses of action for the short and medium terms will be:

--Development of free zones

--Export agroindustry

--Selective process of importation

--Development of infrastructure by increasing technical and financial assistance and prices for the agriculture sector

Parallel to these policies, an intense policy of investment feasibility studies would be devised in the following activity blocks:

--Agroindustrial complex

--Construction

--Metalworking

--Energy-Chemical

Attracting Foreign Businesses

In those productive areas where the country is relatively backward and where the attainment of sufficient know-how requires a long period of maturation, it is necessary to explore in developed countries (Italy, France, Germany, Spain, etc.) and in Latin American countries with a certain level of industrial development (Brazil, Argentina, Mexico, Colombia, etc.) the possibility of attracting capital investments.

The metalworking and chemical industries fall within this category.

The possibility of associating national and foreign enterprises (joint venture) would appear to be viable in this area.

The attraction of capital investments could partially make up for restrictions on external financing.

These actions would complement the free zone and export agroindustry policies.

In this presentation of objectives, we have basically taken into account the role that the most significant economic agents, the state, the national businessman and foreign capital, can play in the development process. In the development of the "Guidelines," the objectives and policies were broken down according to whether they were general, sectorial or regional. The annex contains a summary of them.

Policy Guidelines: Summary

Overall Objectives

Increased efficiency of investment.

This objective is broken down into the following actions:

- Give priority to finishing projects already begun or committed.
- Define complementary actions that would ensure their adequate functioning.
- As a function of the above two points, undertake rigorous investment planning (internal and external financing), and prevent foreign indebtedness from hindering internal investment capacity.
- Improve the level of utilization of the available infrastructure through adequate maintenance of same.
- Introduce improvements in the organization of the sectors that produce goods and services so as to increase productivity or coverage by those sectors.
- Clarify institutionally the role of public and private, national and foreign investment.
- Provide the state with the resources to enable it to fulfill its specific responsibilities.

Expand and integrate the productive apparatus as a function of domestic demand, and of all possibilities that the world market might open up.

This objective is linked to the development of agricultural and industrial production, basically.

Make a deliberate effort to conduct investment feasibility studies in the activity blocks capable of reorienting production, modifying its structure and spurring the overall growth of the economy.

The blocks that orient development strategy are the following:

- Agroindustrial complex
- Construction
- Metalworking
- Energy-chemical

Objectives and/or Policies of Agriculture sector

Short term:

--Emphasize financial support and technical assistance to small producers.

--Improve price levels for agricultural goods aimed at domestic consumption and for industrial inputs, which can be considered to be in short supply.

--Concentrate government intervention efforts on the large irrigation basins in order to put them into production (development areas).

Medium and long terms:

--Adapt the technical model to the country's supply of resources.

--Modify systems of land ownership (access to land by producer).

--Improve organization, distribution and marketing of products.

Objectives and/or Policies of Industrial Sector

Promote the exportation of manufactured goods with an emphasis on agroindustry.

Foment the development of free zones.

Selectively expand the import substitution process.

Activate the "buy national" policy as an impulse to industrial activity.

Make an effort to conduct investment feasibility studies in the blocks mentioned under overall objectives (agroindustrial complex, construction, metalworking, energy-chemical).

Objectives and/or Policies of Energy Sector

Energy planning aimed at coordinating the actions of the various agencies involved, and at achieving the rational use of energy resources.

Development of a broad program for prospecting and evaluating alternative energy sources (traditional and non-traditional).

Rational use of the biomass.

Acceleration of hydroelectric projects and of investment feasibility studies.

Incorporation of the Refidonsa Refinery into the planning of the energy sector, in anticipation of the expansion of its installed capacity and the incorporation of cracking.

Expansion and improvement of the efficiency of the public electricity system.

Association of national industry with the energy development program with a view to achieving increased national industrial production.

Regional Objectives

Concentrate government intervention efforts on assistance, promotion and investment in a limited number of high-potential agricultural areas that have been insufficiently exploited due to inadequate infrastructure or a lack of

technical and/or financial support. These areas of development are complemented with public action in problem areas and in tourist development zones.

The Priority Public Action Areas are the following:

Development Areas:

- San Juan Valley (area of influence of Sabaneta Dam)
- Lower Yuna Valley (Aglipo-Agropampa-Yanguela)
- Lower and Upper Yaque del Norte Valleys (PRYN-BYM)
- Azua Valley (area of influence of Sabana Yegua)
- Bani-San Cristobal coastal strip
- Sabana de la Mar-Nisibon coastal strip
- Cibao Central

Tourist Areas:

- Puerto Plata-Cabrera coastal strip
- La Romana-Macao coastal strip
- South Coast (Boca Chica)

Problem Areas:

- Central Mountain Range (Sierra Plan and agro-forestry settlements)
- Border Zone

The projects through which these objectives will be implemented are the following:

LOCATION OF MOST IMPORTANT INTEGRATING PROJECTS

Branch/Project	Phase	Location
<u>Irrigation and Agriculture</u>		
*Rice Basin	F	Sabana de la Mar-Nisibon coastal strip
*Nizao-Najayo	E	Bani-Haina coastal strip
*Sierra Plan	E	Central Mountain Range
*Yaque del Norte Irrigation Project	E	Western Cibao Valley
*Channels for Maguaca and Chacuey Dams	E	Western Cibao Valley
*Bajo Yaque del Norte Settlements	E	Western Cibao Valley
*Angelina Settlements	E	Eastern Cibao Valley (Bajo Yuna)
*AGLIPO Settlements	F	Eastern Cibao Valley (Bajo Yuna)
*Agropampa-Yanguela Settlement	F	Rio Boba Valley (North)
*Rio Boba Canal	E	Rio Boba Valley (North)
*Sabaneta Irrigation Project	E	San Juan Valley
*Yaque del Sur-Azua Settlement (YSURA)	E	Azua Valley
*Livestock Agroindustrial Settlement	E	Azua Valley
<u>Industry</u>		
*Barahona Sugar-Chemical Complex	E	Municipality of Barahona
*Azua Agroindustrial Zone	E	City of Azua

Tourism

*First and Second Tourism Projects E Puerto Plata-Cabrera coastal strip
on the North Coast
*Private Sector Projects in La Romana, F, R La Romana-Macao coastal strip
Macao, Bavaro and Punta Cana

Urban Development

*Intermediate Cities Program F For the entire country, according to priorities

Key:

E = Execution

R = Ready for execution

F = Feasibility study

Source: ONAPLAN, Projects Inventory

8926

CSO: 3248/937

PENA GOMEZ DISCUSSES ANTICORRUPTION CAMPAIGN

Santo Domingo LISTIN DIARIO in Spanish 2 Jun 83 pp 1, 11

[Article by Saul Pimentel]

[Excerpts] The secretary general of the Dominican Revolutionary Party (PRD) yesterday rejected the notion that corruption will disappear from public administration in the Dominican Republic.

Dr Jose Francisco Pena Gomez stated that in this, his first time in public office, one of the main things he has learned is that "there is a natural predisposition toward the commission of acts of corruption among all Dominican social classes."

He acknowledged that President Salvador Jorge Blanco has not remained indifferent to corruption, and "has acted promptly in each case."

"But this does not mean that there will not be more acts of corruption," he asserted.

He indicated that "no matter how stridently a government combats corruption, there are always people who are not civil servants and have no allegiance to any political party."

In his opinion, most current government officials are people "with no strings attached," and who make up an "already firmly established" bureaucracy.

Pena Gomez talked yesterday with journalists at the Office of Equipment and Transportation at the National District City Hall, after a ceremony in which he received two dump trucks donated by the Spanish firm Agroman.

When a journalist questioned the attitude of the PRD and the government regarding corruption, he pointed out that "it is one thing for corruption to take place without any government action, and another for the government to take action when there is corruption."

He repeated that "indifference toward acts of corruption is one thing, and taking action right when the corruption occurs is another thing."

The PRD leader stated that President Jorge Blanco "has acted promptly in every case," as he has done from City Hall in the National District. There "entire sections of a department where corruption was suspected" have been replaced.

MINIDEVALUATIONS EXPECTED TO CONTINUE UNTIL DECEMBER

Guayaquil EL UNIVERSO in Spanish 3 Jun 83 p 2

[Text] (ANE)--The system of daily minidevaluations, which has already raised the official dollar to 44.80 sures, will conclude on 31 December, based on the letter of intention which monetary authorities have sent to the International Monetary Fund in order to obtain a stand-by loan.

The letter of intention specifies that the system of minidevaluations is part of the stabilization program set up in order to get the economy back on its feet.

Since the program will last until 31 December, one can conclude that the minidevaluations will continue until that date. In other words, the dollar will end up costing over 50 sures when sold by the Central Bank.

The purpose of the minidevaluations, along with other exchange measures, was to obtain a substantial reduction in the differential between the rates of exchange on the free and official market by the end of the program.

The differential between the official rate and the free market rate reached an average of 70 percent in 1982.

Purpose Not Achieved

However, the objective of reducing that differential is not being achieved. On the contrary, it is now equivalent to 96 percent when one takes into account the fact that the official exchange rate is 44.80 sures and the rate on the parallel market currently is .88 sucre.

This situation is apparently affected by the uncertainty of private debtors, who are exacerbating the demand for dollars on the free market because the government has not set a definitive exchange rate for the conversion of the dollar debt into sures.

New Loans

Acquisition of the stand-by credit became the first step toward obtaining additional loans worse \$431 million, in order to correct the negative balance of payments.

The International Monetary Fund itself is urging international banks to make new lines of "fresh capital" available in order to stabilize the Ecuadoran economy.

The executive director of the IMF himself has making the granting of the stand-by loan subject to the renewal of credit flow to Ecuador by foreign banks.

Executive Director Alexandre Kafka warned, in noting that the stand-by agreement is for 1 year, that "payments of the loan are subject to the commitment that 'must' be adopted by international private banks to grant Ecuador some \$431 million in new credits."

\$602 Million

In other words, Ecuador is about to obtain \$601 million in fresh capital (including the IMF loan) in order to level off the balance of payments.

"What we want is a definitive ceiling," said the president of the Guayaquil Chamber of Construction, Carlos Baquerizo, in aluding to the rate of exchange for the foreign debt.

Baquerizo said that without such a ceiling, the foreign debt of the private sector would continue to rise disproportionately because of the process of constant devaluation being experienced by the country.

He emphasized that establishment of a definitive rate of conversion of the debt in dollars to a debt in sures would enable businessmen in debt "to calculate once and for all" how much they will have to pay, how much they will lose because of the devaluation and how they can recover in order to avoid bankruptcy.

"This will also help the economy to get out of the stagnation and mess it is now in," he said.

11,464
CSO: 3348/451

PRESIDENT APPROVES WAGE INCREASE LAW

Guayaquil EL UNIVERSO in Spanish 3 Jun 83 p 1

[Text] President Osvaldo Hurtado Larrea has approved the law passed by the plenary session of legislative commissions setting new minimum living wages and salaries for workers in the private sector and those in the public sector subject to the Labor Code.

Minimum Wage

According to the law, the new minimum monthly wages and salaries will go into effect on 1 July in the private sector and are as follows: workers in general, 5,600 sucres; workers in small industries, 4,400 sucres; farm workers in Costa and Galapagos, 4,400 sucres; farm workers in the Sierra and Amazon region, 3,900 sucres; handicrafts, craftsmen, mechanics, 4,150 sucres; domestic workers, 2,700 sucres.

Increases

The increases effective since 1 November 1982, when a parliamentary order on the matter went into effect, or which have been in effect up to the present, based on obligations contained in collective contracts, transactional agreements or any other form of contract, whether collective or individual, will be imputable to the wage and salary increase. Also imputable are increases arranged through ministerial resolutions originating in minimum wage committees going into effect on 1 January 1983.

Stability

The workers will enjoy a year of stability from the promulgation of this law in the Official Register, except in cases of fixed term contracts and exceptions contained in Article 14 of the Labor Code. Consequently, contracts in force cannot be terminated except in accordance with causes set forth in Article 171 of the Labor Code and with authorization.

Enforcement

The wage and retirement increases provided for by the law will go into effect on 1 July 1983.

Public employees subject to the Social Service and Administrative Career Law will begin to receive their increases on 1 October 1983.

Amount of Increase

According to the law, the workers in general who were earning between 4,600 and 10,000 sures will receive an increase of 1,000 sures and if they earn over the second sum, they will be able to earn up to 11,000 sures.

Workers in small industry will receive an increase of 800 sures, as will farm workers in Costa and Galapagos, and are entitled to go as high as 8,800 sures with the increase or by making up the difference between their wages and that sum.

Farm workers in the Sierra and Amazon region will have an increase of 700 sures and may go as high as 7,900 sures.

Another Law

The other law passed corresponds to the establishment of the National Emergency Fund, although the president has expressed his "concern and surprise" over the approval and inclusion of a temporary provision "which is absolutely foreign" to the material contained in the law.

11,464
CSO: 3348/451

MINISTER DISCUSSES AGRICULTURAL PROBLEMS

Guayaquil EL UNIVERSO in Spanish 3 Jun 83 p 2

[Text] An aggressive plan for planting and recovery is the solution to the grave crisis now faced by the country's agricultural sector as a result of the intense rain that continues to fall, according to Minister of Agriculture Carl Carlos Vallejo Lopez.

He added: "That is the only way to solve and partially control the problem of inflation in the growth of production after the winter. The people of Guayaquil and along the coast have seen that by last night, the heavy rainfall continued."

Harvest

The minister said that the harvest cannot begin, which means that a plan to rehabilitate the productive sector requires technical assistance, flexible loans and a program to supply consumable expenditures.

Questions

When the minister was asked how, if the Development Bank is not operating with the credits, the farmers could replant their crops, he said: "We have lines of credit from financial funds, development bonds and special lines of foreign credit, we are concluding the negotiation of an emergency line of credit with the Inter-American Development Bank and the resources do exist. What is happening is that people expect the Development Bank to solve every customer's problem immediately, in complete detail and on that very day, but no one understands that we have a whole set of problems to handle. I believe that what we need now is to remain calm. The private and public sectors must join forces without criticizing one another in order to get the economy going, for in addition to the financial crisis, Ecuador has had to withstand eight months of a cruel winter that can destroy it if the bad weather continues a few more months."

Possible Strike

In view of the president's veto of the order enabling farmers to begin again and obtain loans from the Development Bank for 15 years, with a 5-year deferment and an interest rate of 9 percent, as a result of which the farmers said

they would strike, the minister replied: "I believe that we have to get the farmer back on his feet in order to rebuild the country's agricultural economy. There are new lines of credit, means of rehabilitation being set up. We are about to turn over to the president the credit reorganization plan which includes sources of financing, possibilities of rediscounting and other aspects that will help the sector.

11,464
CSO: 3348/451

BRIEFS

INFLATION RATE--The country's average annual inflation rate, considering only the urban area in the figure, is on the order of 45.2 percent, a record. On the regional level, inflation along the coast in May was 46.9 percent, while reaching 43.2 percent in the mountains. In the country's three largest cities, inflation increased sharply up until May, going from 30 percent in Guayaquil in January to 47.7 percent in May. From January to February, inflation went up 1.4 percent; from February to March, 1.9 percent; from March to April, 5.5 percent; and from April to May, 8.8 percent, an even higher figure. It should be pointed out that in Guayaquil, the rate is much higher than in Quito. In the country's capital, the increase reached 27.5 percent and in Cuenca, 25.3 percent, based on the consumer price index for low- and medium-income families up to May. These inflation figures were provided by the Department of Indicators of the Central Bank, based on information from the National Institute of Statistics and Census (INEC). They were given to newsmen last night by the general manager of the Central Bank, Abelario Pachano, in this city. [Text] [Guayaquil EL UNIVERSO in Spanish 3 Jun 83 p 2] 11,464

CSO: 3348/451

PAISA CALLS ITSELF ALTERNATIVE TO PRESENT POLARIZATION

San Jose LA NACION INTERNACIONAL in Spanish 19-25 May 83 p 8

[Article by Jorge Contreras]

[Text] In defining the PAISA [Authentic Salvadoran Party] as a political group of the Center, Col Roberto Escobar Garcia, top leader of that movement declared that it is the only alternative that the citizens have against the polarization now being experienced by El Salvador.

A former representative and a former minister of agriculture and of labor, at the age of 44, Escobar Garcia has decided to clear the way for his new party that was recently included in the electoral register of his country.

He forged his political career in the PCN [National Conciliation Party], which he left at the end of September of last year in the midst of an internal struggle to reorganize the national directorate of that group, which brought him into conflict with Raul Molina Martinez, currently vice president of the republic.

That incident had as a consequence the mass resignations of PCN leaders, beginning with nine delegates in the current Constitutional Assembly, who initially declared themselves independent and now constitute the PAISA parliamentary group.

Interviewed by LA NACION INTERNACIONAL, Escobar Garcia states that he has always believed that "political equilibrium is the cornerstone of the democratic system and this was the criterion under which I participated in all the political movements in the last 12 years."

Escobar Garcia held the position of minister of labor until October 1979, when he gave it up prior to the beginning of the process for the March 1982 elections. At that time, he decided to rejoin the PCN, according to him with the same purpose and due "to the efforts of a group of loyal friends."

He noted that since that time he began to understand the dangers of a polarized society and he argued that "the triumph on one extreme prolongs the struggle of the other," and that, in addition, is why he took his decisive step in his political participation.

Despite the fact that he admits that "the Center is influenced by the extremes," he felt that "if the members of the Center, that is, the moderates, are given support, they can come to control the extremes" and thus they can become what he persists in calling "a force of equilibrium."

In justifying the formation of PAISA, Escobar Garcia affirmed that he did it with the intention of "filling the vacuum as demanded by public outcry, maintaining the democratic tradition" of avoiding the polarization that worsened with the triumph of the Sandinist revolution in Nicaragua.

Asked about the ideology of the PAISA, the political leader specified that his party is "centrist, democratic and anticomunist." "As for economics," he added, "it recognizes and supports the free-enterprise system" but he admits that free enterprise should meet its social obligations.

In regard to the mentioned "social obligations," Escobar Garcia thinks that "the poor of El Salvador are not communists but they are poor." "Therefore," he added, "one must help them to overcome their condition, because it is moral and Christian; not only should they be helped to avoid communism but because in this way private enterprise fulfills its role in society to which it owes its life."

With respect to the origins of the crisis now being experienced by El Salvador, there are those who believe that the crisis is the product of the social injustices that have characterized that nation. In that respect, the PAISA politician indicated that "we should not forget that it is the state that is responsible for the role to be played by the various social sectors." Nevertheless, he admitted that "we ought to recognize imperfections in society because no society is perfect."

Asked about the phenomena of exploitation, repression and political frustration, about which there is frequent talk in El Salvador, he considered them to be imperfections of society. Nevertheless, he insisted that communism is to blame for the situation now being experienced by the country, "as was recently said by U.S. President Ronald Reagan."

It happened that in this direction he indicated his disagreement with statements by Jose Luis Lopez Portillo, former president of Mexico, who on occasion said that the Salvadoran situation was the result of the struggle of the poor for a better life. "Under this criterion," he emphasized, "Mexico would be in flames and not El Salvador because the indices of poverty there are quite alarming."

In blaming the communists for the Salvadorian crisis, Escobar Garcia indicated that they "have accomplished two masterpieces in the last 20 years." On the one hand, he specified, they infiltrated the institutions and brought about "a process of falsifying the bases of those entities."

"They infiltrated the church, the unions, the political parties, the university, education in general and they even wanted to create a crisis in the armed forces," he added. As proof of that infiltration, he mentioned

the cases of the recent deaths of FMLN commanders Melida Anaya and Cayetano Carpio. He accused the former of having used the teachers for FMLN purposes and accused the latter of doing the same with workers.

The other "masterpiece" that the communists have developed for El Salvador, according to Escobar Garcia, is disinformation abroad. "They have unfolded a campaign that is so keen that they have painted Salvadoran society as the most imperfect society," he pronounced.

Despite these accusations, Escobar Garcia mentioned some other factors that in his opinion contribute to the reality of El Salvador. Among them he pointed out: "the poverty of the region, scarcity of raw materials and the democratic profile."

In this last aspect, he noted that one must realize that El Salvador is one of the most populated countries in the area, "and this has meant a greater need for goods and services than in other countries."

Escobar Garcia was agricultural minister when the agrarian reform was decreed in 1979 during the government junta. Asked about that measure, the leader pointed out that he established "a law for leasing land that was more profound than the current Decree 207 that supposedly favors partners or tenants."

He noted that the philosophy of his decree set forth alternatives for those with idle land. In this regard, he said: "first they were asked to cultivate it and if they did not sow it they were asked to lease it and if they did not wish to do either one it could be expropriated but with a priority matter being payment to those affected."

In this respect, he argued that "the state cannot avoid paying for affected lands, nor can it consider a simple reform in landholding as agrarian reform." Above all, its criterion should give attention to having the person in receipt of the land sow it and know how to use it.

In this sense, he considered it necessary to make the reforms nonpolitical and "not to take the peasants or the workers as instruments of power or domination but as subjects of their own advancement."

Escobar Garcia finally agreed to refer to the armed conflict that is affecting the country and he said that "the country has experienced internal evolution and such notable deterioration that even if we are not in a civil war, the passions have been exacerbated too much."

"It is here," he commented, "where the government has to be active and above all that is true for the commissions that it has created, such as that of peace and that of human rights." He was also of the opinion that "the world should understand that this conflict is not just among Salvadorans, but they should help us to carry out worthy and serious elections and persuade the warring parties to put down their arms and to take part in the democratic way."

MERCHANT REPORTS ABUSES BY MEXICAN CUSTOMS OFFICIALS

Guatemala City PRENSA LIBRE in Spanish 8 Jun 83 p 14

[Text] Mexican customs agents commit many abuses against Guatemalans who travel to the northern neighboring country, charging them large sums of money under threats of not letting them enter. They do this without authorization, "solely for the clear and simple purpose of stealing."

A known Guatemalan businessman made this statement yesterday, asking us not to reveal his name. However, he gave us his address and identity card number, saying that he often goes to Mexico and could suffer reprisals. He did witness those irregular actions.

Our informer, whose initials are J.A.L.L., said that properly uniformed customs agents at the El Carmen border customs house demand that tourists pay 1 quetzal for the passport, when the visa is free.

If the tourists do not pay the quetzal, they are threatened with not being allowed to enter. Then they are required to show 1,000 quetzals and are not allowed to enter if they do not show the money.

When a tourist arrives at Tapachula airport to buy a ticket for a flight to the Federal District, they tell him to go to immigration, a small rustic room they have prepared where a uniformed agent waits.

In that room they call immigration office, the only customs agent asks for the passport of all travelers, indicating that each of them has to pay 30 quetzals or the equivalent in dollars.

Our informer indicated that the small room they call immigration did not exist in the past. He also waited in the line of persons who would have to pay the quetzals. Since he frequently travels that route, however, he refused to pay. When the agents recognized him, they did not insist on asking for the money, but they did so to the others.

The fact is, he says, that travelers who do not have the money are turned back. In other words, they cannot make the trip by plane and have to make it by land. That is incorrect, he said, because the passport is shown only when going through customs. But Mexican agents have realized that it is good business to demand the passport often so as to get money.

I make this charge, he said, so that the Mexican consul in Guatemala learns about it and these irregularities, which discredit his nation, can be prevented by his government and better treatment is given to the Guatemalan tourist.

Concluding, the informer conveyed a message to all the Guatemalans who travel to Mexico with the idea of buying articles at low prices, saying that everything costs more in that country because prices have risen overnight.

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CSO: 3248/907

NEW POPULIST PARTY CALLS FOR PROVISIONAL CIVIL PRESIDENT

Guatemala City DIARIO EL GRAFICO in Spanish 8 Jun 83 p 3

[Text] Guatemala City, 7 Jun--The election of a provisional civil president by the next constituent national assembly has been demanded by the Populist Party [PP], now being organized, whose principal leaders have stated their intention to register the party as soon as possible so as to proceed to its formation as a public institution.

The populists, explained one of its promoters, Acisclo Valladares Molina, had decided not to participate in politics because they were skeptical that the government truly intended to promote a democratic process. However, he said, the open letter of Gen Echeverria Vielman setting forth his position as the most senior active duty general of the army's officer corps, has renewed their trust on the constituent process and that is why they have decided to register the party.

Following are the arguments upon which they base their petition for a provisional civil president.

Fundamental Thesis of Populism

The PP has based its fundamental thesis on the upcoming constituent process: The National Constituent Assembly, once installed and as the first action of its tenure, should elect a provisional constitutional president, thus ending the deforcement of power by the illegally constituted authorities.

The PP thesis is complemented by its position that the provisional constitutional president elected by the assembly should be a civilian. To this end, it makes a public appeal to the country's democratic sectors to make their position known clearly in favor of the populist thesis. It makes the same appeal to the government, adding that in accepting the thesis the government can clearly fix its true intentions before the people and their armed institution as a whole.

Election of a provisional civil president by the constituent assembly is the only way to achieve:

- (1) Complete independence of the assembly in drafting the new constitution, thus eliminating meddling by the executive branch, which has been traditional

in our country. It would not be appropriate for the current president to have any say in the formulations of legitimate constitutional standards, which would be inevitable should he remain in power. On the other hand, the coexistence of a legitimate assembly and a de facto president would be incompatible.

(2) Integration of a provisional pluralist government of national unity that genuinely represents the popular will and all political sectors.

(3) True guarantee of free elections, without conditions, so that the people can elect the authorities directly and freely by universal secret ballot. This would be impossible with the current ruler, given his ill will towards certain political groups and his commitments with and preferences for others, since there are military groups displaced by him. He would not be a source of unity and credibility for the population. For obvious reasons, his present and past political record would not let him be impartial in a popular election and, therefore, he could not be president of all Guatemalans.

(4) Breaking the international isolation in which we find ourselves, which would be impossible should the illegally constituted authorities remain in power.

(5) The guarantee that all citizens, including separated military personnel, can be candidates in the election of the president of the republic. There is no reason to exclude anyone when there exists a provisional pluralist, civil and representative government as guarantor to the people of the purity of the elections. It will be the people who will do the choosing through secret universal suffrage without any type of aprioristic commitments.

By clearly establishing its fundamental thesis regarding the upcoming constituent process, the PP has reaffirmed its complete trust in the movement's ideologue, Acisclo Valladares Molina, whom the party believes has faithfully interpreted the deepest popular aspirations.

The PP National Directorate's communique ends with the phrase "only the people make people free." The PP is a new political organization in this country which proposes to reach power with a clear electoral mandate, without accepting any conditions from those who "have been deforcing political power inveterately."

Acisclo Valladares Molina, singled out by the PP as the movement's ideologue, was candidate for mayor in the past elections when he generated deep popular interest in a short period of time: "With all sincerity..." He currently works with the new era of "Cuestion de Minutos" [A Question of Minutes], dean of televised journalism in Central America, and he writes the editorial columns "Mi Criterio" [My Belief] in DIARIO EL GRAFICO, "Columna del Viernes" [Friday's Column] in PRENSA LIBRE and "La Columna de Acisclo Valladares" [The Acisclo Valladares Column] in EL IMPARCIAL, dean of the independent press. In all these, his statements and writings have clearly established the political thought that inspires populism. He clearly defined his rooted opposition to the current regime of Gen Rios Montt a year ago and, in their time, to the preceding "imposed" regimes.

FORBES SENDS MESSAGE TO USSR'S ANDROPOV

FL212017 Bridgetown CANA in English 1821 GMT 21 Jun 83

[Text] Georgetown, Guyana, 21 Jun, CANA--Guyana's President Forbes Burnham has sent a congratulatory message to Soviet leader, Yuri Y. Andropov, on his recent election as chairman of the Presidium of the Supreme Soviet of the Union of Soviet Socialist Republics.

The full text of the message is as follows:

"On the occasion of your election as chairman of the Presidium of the USSR Supreme Soviet, it is my pleasure to convey to you, heartiest personal congratulations as well as those of the government and people of the Cooperative Republic of Guyana.

"Your appointment to the high office at this juncture signifies the confidence of the people of the USSR in your leadership.

"I feel sure that during your tenure of office, the gains of the revolution will be further consolidated. I express the hope that in this important period in the history of mankind, you will contribute greatly to the cause of global peace and security including peaceful co-existence among all nations.

"It is my hope as well that the ties of friendship and co-operation which happily exists between our two countries will be further strengthened.

"As you execute the onerous duties attendant upon your new office, may I take this opportunity to wish you good luck, personal happiness and every success."

CSO: 3298/1276

THREE NEW AMBASSADORS PRESENT THEIR CREDENTIALS

Cuban Envoy's Arrival

Georgetown NEW NATION in English 29 May 83 p 3

[Text] ANOTHER bond was added to the Guyana-Cuba relationship late last week with the arrival of the new resident ambassador to Georgetown.

The new ambassador, Mr Lazaro Cabezas Gonzalez, arrived in Guyana early last week and presented his

credentials to Vice-President Hamilton Green on Monday at State House.

Ambassador Gonzalez has now filled the vacuum created by the departure early this year of former ambassador Mr. Ivan Cesar Martinez early this week.

Ambassador Martinez

served in Georgetown for over five years in this country.

Meanwhile at a similar function Monday the new non-resident Ambassador from Switzerland Mr. Dino Scioli presented his credentials to Vice-President Green.

Egyptian Ambassador

Georgetown GUYANA CHRONICLE in English 18 May 83 p 3

[Text] EGYPT'S new Ambassador to Guyana Mahmoud Abbas Abdel Hadi, has called for 'fruitful and full co-operation' between

Guyana and Egypt in the economic, political, commercial and cultural fields.

The new non-resident Ambassador who presented his credentials to Vice-President, Production, Hamilton Green, yesterday morning at State House, said Egypt was interested in promoting relations with Guyana to the highest possible level.

Guyana and Egypt established diplomatic relations in September. The Egyptian Ambassador will be based in Panama.

In replying to the

Egyptian diplomat, Vice-President Green noted that the collaboration between Guyana and Egypt in international forums for the promotion of global peace and co-operation, provided "a firm foundation for intensifying the development of our bilateral relations."

Assuring the Ambassador of the full co-operation of the Guyana government in the execution of his duties, Cde Green expressed the hope for the enhancement of fruitful co-operation between Guyana and Egypt.

(GNA)

Envoy From Switzerland

Georgetown GUYANA CHRONICLE in English 24 May 83 pp 4-5

[Photo caption; photo not reproduced]

..THE new non-resident
Ambassador for Switzerland to Guyana, Mr.
Dino Sciolli presented his

credentials to Vice-
President Hamilton
Green at State House
yesterday morning.

..In picture, Mr. Sciolli
shares a humorous
moment with Cde Green.

CSO: 3298/676

POLICE SHAKE-UP IN BERBICE WIDENS; OFFICERS DISMISSED

Probe Under New Leadership

Georgetown GUYANA CHRONICLE in English 17 May 83 pp 1, 8

[Text] ALL but two of the senior officers in the Berbice Police Division have been transferred in a reshuffle of the Police top team affecting several divisions.

Details of the shake-up, nearly complete, were released yesterday by a spokesman for the Ministry of Home Affairs who reiterated that the changes were being made mainly to strengthen Police measures against smuggling.

Deputy Commissioner "Administration" Balram Raghbir, who assumed command of the Berbice Division recently, is spearheading investigations into several allegations involving policemen.

And while only senior officers have been mentioned in the official orders dealing with transfers, it is understood that a number of ranks including an Immigration Inspector have been removed pending investigations into their activities.

The new officers who have gone to Berbice include Senior Supt. H. Cummings who was formerly commander of the Essequibo Division. He is second-in-command to Cde Raghbir.

Others are Supt L. Kilkenny (Whim), Deputy Supt. H. Greene (New Amsterdam), and Assistant Supt. W. Gravesande (Fort Wellington). Those replaced are Asst. Commissioner Cyril

Bolters who is slated to take command of Georgetown, Deputy Supt. L. King, Deputy Supt. C. Langevine and Asst. Supt. M. Jettoo.

The latter officers are also being posted in Georgetown where Assistant Commissioner Vernon Leander is in temporary command.

Only Supt. B. Moses and Assistant Supt. Primo of the original Berbice team remain in that division.

In the shake-up, Assistant Commissioner Reggie King has taken up new duties at Police Headquarters and Senior Supt. Ronald Harris has assumed temporary command of "F" (Interior) Division.

Supt. Michael Gordon who was also in Berbice, has also been transferred to "F" Division and Supt B. Scotland is the new Divisional Commander in Essequibo replacing Senior Supt. Cummings.

Linden has a new commander, Supt. B. Brown, and he will be

assisted by Asst. Supt. A.C. Lall.

In a lengthy statement which preceded the shake-up, Police Commissioner Lloyd Barker was quoted as saying that in Berbice the Police were moving to introduce "new approaches to the suppression of crime and criminal tendencies".

"Decisions were taken to apply additional law enforcement measures in selected areas in Guyana," the Commissioner said, while alluding to investigation of allegations against the Police and the concerted efforts to minimise smuggling.

Report on Dismissals

Georgetown GUYANA CHRONICLE in English 24 May 83 p 1

[Text]

THREE Officers and an Inspector of Police who were transferred away from the Berbice Division in the recent reshuffle in the Force, have been sent off the job. Three of the men will not return to the Police Service but the fourth is on leave.

Authoritative sources told the Chronicle yesterday the latest development is a direct result of investigations being carried out against the men.

In the determined drive to curb smuggling announced recently by Police Commissioner Lloyd Barker, he had alluded to allegations against the Police and had sent Deputy Commissioner Balram Raghbir to take command of the Berbice Division where smuggling is most prevalent.

In the latest move, Assistant Commissioner Cyril Bollers who had been in command of the Berbice Division, has

been sent on eight months' vacation leave.

Assistant Supt. Eustace Lam has been discharged (asked to resign); Assistant Supt. M. Jettoo has been dismissed and Inspector Jones who had been in charge of Immigration at Springlands has also been dismissed.

Letters from Police Headquarters reached the men concerned last week, the Chronicle learnt.

Meanwhile, some women found in possession of wheat flour, among other things, while on their way back from conducting rice flour demonstrations in Region Six (East Berbice/ Corentyne) have also been disciplined.

One has been dismissed from the Guyana Rice Board.

At least two others connected with the Women's Revolutionary Socialist Movement have also been subjected to severe sanctions.

Ouster of Assistant Commissioner

Georgetown GUYANA CHRONICLE in English 30 May 83 p 1

[Text]

MORE members of the Police and Public Service have been sent off the job as the determined efforts to stamp out smuggling and corruption continue.

Latest reports state that Assistant Commissioner Cyril Bollers who was relieved of his command of the Berbice Division earlier this month and sent on leave has been dismissed.

Reliable sources said the Police Service Commission took action against Bollers for

"conduct unbecoming and not in keeping with the high standards of the Force."

Norma Haynes, Personnel Officer II in the Public Service Commission, whose name has been linked with that of Bollers, has also been dismissed.

And a number of lower ranks within the Police Force have also been fired, a spokesman from the Ministry of Home Affairs confirmed.

Announcing the new approaches to the suppression of crime and

criminal tendencies earlier this month. Police Commissioner Lloyd Barker had alluded to allegations against the Police who are working against tremendous odds to minimise widespread smuggling and related corruption.

Since then two Assistant Superintendents of Police, Eustace Lam and M. Jettoo and Inspector Jones were also removed from the Police Service.

Meanwhile, four Police Constables who refused bribes from a man held with an unusually large amount of foreign currency were Saturday commended at a private ceremony at Police Headquarters.

CSO: 3298/674

CARIBBEAN FOOD PROJECT EXPERIMENT IN GUYANA FAILS

Georgetown CATHOLIC STANDARD in English 22 May 83 p 2

[Text]

AT THE END of a three-day workshop on staple food production in the English-speaking Caribbean and Suriname held in Jamaica recently, the following news item appeared in the Chronicle of May 2, 1983:

"Caribbean countries, anxious about the region's growing food import bill, have agreed to increase co-operation in research and technological transfer in food legumes, root and tuber crops"

Yet the first concrete regional effort to actually produce food in Guyana through a company owned by regional governments collapsed ignominiously, despite the pioneering efforts of Mr. Jackie Dummett who subsequently emigrated.

Indeed, that company, the Caricom Corn and Soyabean Co. Ltd., has failed to pay at least one of its creditors who has sued and obtained judgment and who, as a result of his failure to obtain payment, has filed a petition for compulsory liquidation of the company.

Despite this, the bureaucrats continue to meet and talk as if nothing had happened, ignoring the first catastrophe.

Commenting on the failure of this effort at regional co-operation, a knowledgeable source told the Catholic Standard:

"It is tempting to conclude that these bureaucratically controlled regional projects will never get off the ground and that the only hope for real progress is to involve the private sector.

"In any event", he continued, "one would have hoped that the shareholders of Caricom Corn and Soyabean Co. Ltd. would at least have seen fit to pay their creditors without the need for legal proceedings.

"It is hardly a good beginning for regional projects".

The Trinidadian Government is one of the shareholders. It is understood that its embassy here was sent a copy of the Writ filed against the company, but there was no response.

The Caribbean Community Secretariat was not involved in this project.

CSO: 3298/675

PNC GOVERNMENT ACCUSED OF SHARPLY REDUCING IMPORTS

Georgetown MIRROR in English 15 May 83 p 4

[Text] For 1983 the PNC regime has cut back sharply on imports of consumer goods, spare parts and capital equipment.

Whereas consumer imports stood at \$160.8 million in 1981 they were chopped down to \$111 million in 1982 and a further chop made in 1983 to \$99 million. This means that between 1981-83 the regime has eliminated \$61.8 million worth of consumer items mostly foodstuffs from the market. This is the main reason for the acute shortage of food items in the country.

Spare parts imports have been axed from \$101.2 m in 1981 to \$63.0 m in 1983. These are for agricultural machinery and motor vehicles. This is the main reason for the large scale thefts of spares from vehicle owners. Tyres, batteries, wheels, generators, etc., are spirited away by thieves who have a ready market.

Imports of capital goods (for industrial and agricultural development purposes) have been chopped from \$188.3 million in 1981 to \$164.0 million in 1983.

A breakdown on the cuts is as follows:

Items	1983	1982	1981
Cheese	--	\$ 1.9 m	\$ 5.3 m
Milk & milk products	\$20 m	\$20 m	\$31.7 m
Other foods	\$ 9 m	\$13 m	\$28.4 m
Drugs/pharmaceuticals	\$10 m	\$ 5 m	\$10.5 m
Other consumer goods	\$57 m	\$69.5 m	\$80.5 m

CSO: 3298/675

GUVMINE REPORTS LARGE EXPORT SHIPMENT OF BAUXITE

Bridgetown SUNDAY ADVOCATE in English 22 May 83 p 3

[Text]

Georgetown, Guyana, Saturday, (CANA) — THE STATE-OWNED Guyana Mining Enterprise (GUVMINE) says it had shipped 365 967 long tons of bauxite to its overseas customers by May 11 this year.

Of this amount, 193 326 tons were shipped by the Linden operations, 67 miles south of Georgetown, and the remaining 172 641 by the Berbice operations.

The Linden operations were nationalised by the government on July 16, 1971 — taken over from the Demerara Bauxite Company (DEMB), a subsidiary of the American company, ALCAN. The Berbice operations, at Everton and Kwakkani, came under government ownership on January 1, 1975 taken over from another American company, Reynolds Metals.

GUVMINE said that during the

period May 1 to 7, the Linden operations processed 8 960 tons of calcined bauxite, while it shipped 9 818 long tons of calcined bauxite.

So far, the Linden operations have processed 98 657 long tons, including 9 107 tons of calcined bauxite.

Last year, Linden shipped a total of 193 326 tons made up of 93 000 tons calcined bauxite and 100 326 tons of metal grade bauxite.

At the Berbice operations, the company produced 2 500 long tons of chemical grade bauxite and 1 191 tons abrasive grade bauxite. An official said it made no shipment during this period.

During the period under review, these operations processed 178 157 long tons of bauxite, made up of 49 272 long tons of the chemical grade, some variety 3 012 tons calcined and 8 526 long tons of abrasive "A" grade bauxite.

CSO: 3298/674

VICE PRESIDENT HELPS MARK CIVIL DEFENSE ANNIVERSARY

Georgetown GUYANA CHRONICLE in English 17 May 83 pp 1, 5

[Text]

CIVIL DEFENCE must encourage, equip and accustom people in all walks of life to work together in their own interest.

Vice-President Cammie Ramsaroop's observation was contained in a first anniversary message of the Civil Defence Commission which was established on May 18, last year by President Forbes Burnham.

The full text is as follows:

MAY 18th marks the first anniversary of the establishment of the Civil Defence Commission.

One year ago, His Excellency the President announced the appointment of a National Civil Defence Commission with an initial membership of 10 persons. The present membership of the Commission now totals 20.

Among the main functions of the Commission is the responsibility for the preparation and maintenance of a National Disaster Awareness and Preparedness Programme

It should be understood that the Commission transcends politics and on it are represented all

shades of political opinion. Indeed, representatives from all three Parliamentary political parties sit on the Commission

Civil Defence means preparing the Community to react promptly to save lives and protect property if it is threatened or affected by a disaster or major emergency of any kind. In order to successfully do this, proper long-term planning must be done. This necessarily involves the assignment of responsibilities, classification and cataloguing of resources, practise drills and evaluation of experiences.

The role of the Civil Defence Commission should therefore not be looked upon as one of rendering "salvation after the disaster". Instead its role is one of activating the community to be prepared to deal with any type of disaster and if possible to prevent such disaster from occurring.

Civil Defence must therefore encourage, equip and accustom people in all walks of life to work together in their own interest.

The impact of the Commission during its first year of existence

has been notable. In the first place, the message of Civil Defence and what it stood for was spread over the entire country, and people began to understand its importance. In every Region of the country, there was Civil Defence activity and committees were established in seven of the 10 Regions. At the moment effort is being made to have such committees formed in the other three Regions. These committees, though new and comparatively inexperienced, have already started to function in the interest of the people.

The Commission and its several standing committees performed well during the year. For example, the Welfare Committee helped in the rehabilitation of the 162 persons who were displaced as a result of the Charlestown Fire during October, 1982 and provided shelter, food, clothing and financial assistance. Training in fire prevention and first aid was made available country-wide and many hundreds of adults and children participated.

Civil Defence is new in Guyana but despite its newness, Guyanese have taken to the idea with much constructiveness. This is not strange as Civil Defence is found in nearly all countries of the world.

In many countries Civil Defence has had to deal with the effects of great floods, volcanoes, hurricanes or earthquakes; in Guyana, we are fortunate in being blessed with a land which is spared of such disasters. Yet, we do have many other types of problems, social and economic, which, in the long-run affect our lives as deeply as the more spectacular disasters. It is these particular and persistent problems which the Commission will continue to deal with in a more detailed, intensive and extensive way.

During the coming year, we plan to have more Civil Defence Committees covering every square mile of our country and look forward to an even fuller participation of citizens.

Civil Defence helps all! Get involved now.

CSO: 3298/674

POSSIBILITY OF SABOTAGE AT CHRONICLE PRESS PROBED

Georgetown GUYANA CHRONICLE in English 30 May 83 p 1

[Text] The police have been called into look into what could have been an act of sabotage at Guyana National Newspapers Limited.

This follows a breakdown of the press at GNNL's Bel Air plant Saturday night. The fault was not discovered until yesterday morning, when technicians came across a snapped wire.

As a result, there was no Sunday Chronicle yesterday, and there is now this Monday Special, with our fortnightly Development Digest and special features.

CSO: 3298/674

TRUCKING TRANSPORTATION TO LINDEN UNDERGOES IMPROVEMENT

Georgetown GUYANA CHRONICLE in English 28 May 83 p 3

[Text]

LINDEN -- (GNA) -- The Linden Transport Co-operative Society (LTCS) recently extended its operations with the introduction of a five-piece trucking facility.

The service has brought some measure of relief to the Linden business community which was experiencing difficulties in the area of transportation.

It is understood that two of the 30-ton trucks have been contracted by Demerara Woods Limited for timber transportation, while the rest are available to Guymine and the rest of the community.

The trucking service is also expected to ease the financial strain on LTCS which has been taking a whipping since its establishment. Efforts to

reduce operational costs have been unsuccessful so far, as the society reportedly lost one million dollars last year and still owes Guymine four million dollars.

Lindeners have been severely critical of the service offered by LTCS claiming that they sometimes have to wait long hours for a bus to Wisrock or Amelia's Ward.

They have blamed this situation on the society giving priority to Guymine employees and to its controversial trips to Georgetown. The society claims, however, that it is contracted to commute Guymine workers to and from work sites. It also contends that 50 per cent of its revenue is realised from its daily runs to Georgetown. (GNA)

CSO: 3298/675

TRAWLER FLEET EXPANSION NOTED; CURBS PUT ON RACKETEERING

Trawler Construction Arrangements

Georgetown GUYANA CHRONICLE in English 28 May 83 p 1

[Text]

THE Guyana National Engineering Corporation (GNEC) is to begin constructing five steel hull trawlers for use by Guyana Fisheries Ltd (GFL) as soon as construction materials arrive from the United States.

The materials are expected by the third week in June.

GNEC has been subcontracted by the American firm, Bender Shipbuilding and Repair Company, to build five of a fleet of 22 trawlers for GFL under a recently negotiated loan from the Inter-American Development Bank (IDB). (See story on page three).

The Alabama-based shipbuilding company was awarded the main contract for the supply of the vessels. The agreement between GNEC and Bender Shipyards was signed in March this year, and will result in some foreign exchange earnings for the local corporation.

Under this contract, Bender will supply nearly all materials, equipment and designs

for construction of the trawlers in accordance with an agreed schedule.

GNEC officials yesterday said local material inputs have also been included in the contractual conditions. Local woods - Simarupa and Crabwood - will be used in the construction of crew accommodation areas in four of the five trawlers.

The first trawler is contracted to be completed by October this year, with the fifth scheduled in July, 1984. Technicians and shipbuilding managers from GNEC have visited Bender operations to observe that company's methods and procedures of construction.

Officials have described the technology transfer that will arise from this contract as one of its more important and lasting features.

(GNA)

Crackdown on Fishing Malpractice

Georgetown GUYANA CHRONICLE in English 28 May 83 p 3

[Text]

THE Fisheries Department is taking steps against racketeering in the industry. Chief Fisheries Officer Cde Rueben Charles at a recent meeting with trawler owners, discussed the situation in the industry and announced some of the decisions taken to curb malpractices which have been a source of growing concern to industry officials.

Because of the urgency of the situation some new measures have already been put in place, the marine scientist said in an interview Thursday.

With immediate effect, Cde Charles said, all shrimp sold locally must be processed by the Guyana Fisheries Limited and Guyana Seafoods Limited. Defaulters will be prosecuted, he said.

Persons wanting to take shrimp out of the country will now be required to obtain a licence from the Fisheries Department. Approval for the licence will be given only if the applicant could produce a receipt for the entire quantity of shrimp, Cde Charles said.

This decision was instituted, the Chief Fisheries Officer said, to clamp down on illegal peddling of shrimp by trawler crews and also to a higher degree to stamp out illegal export.

Cde Charles said it has been a recent practice for persons to take shrimp out of the country in suitcases. In the last two weeks some four persons have been caught and charged by police.

The submission of up-to-date log books of trawlers has also become a condition for the renewal of licences for companies to continue trawling in Guyana waters. And Cde Charles explained that the owners of the trawlers have been given the responsibility to ensure that log books are submitted at a prescribed time.

Serious consideration is also being given to the amount of by-catch turned in by several trawlers. According to the Chief Fisheries Officer, most of the trawlers have not been reaching their agreed by-catch targets. He said that reaching by-catch targets is also a condition for the renewal of operating licences. (CNA)

CSO: 3298/675

BRIEFS

ARMY RULE 'TEST'--The North-West District (Region 1) is being converted into a PNC laboratory to test the effects of army rule in Guyana. The densely forested, relatively inaccessible and mainly Amerindian populated region has previously been used by the PNC-linked American People's Temple cult as a laboratory to experiment with mind-control drugs, an experiment which tragically ended with the mass murder of over 900 persons on November 18, 1978. The new experiment involves a joint army-civilian rule in a section of the region. According to the government Chronicle newspaper, President Burnham was quoted to have said that the Disciplined Services had the capacity and the logistics to push development in the area. The area covers Matthew's Ridge, Arakaka and Port Kaituma. In the North West region dissatisfaction among the mainly farming communities is rife. Residents are complaining about electricity cuts in places like Hosororo and poor water supplies. Food supplies are drying up while prices for some essential commodities are out of reach of the people. An NWD correspondent stated that chicken is being sold at \$10 per pound, beef at \$8.50 per lb.; rice at \$7 per gallon; salt at \$1 per lb and sugar at 50 cents per lb. [Text] [Georgetown MIRROR in English 15 May 83 p 1]

VETERANS BRANCH IN LINDEN--Linden (GNA)--Veterans of the last two World Wars reorganised a branch of the Guyana Legion in the bauxite mining centre at Linden last Sunday. The resuscitation of the Linden branch of the organisation which is headed by Cde Richard Green was as a result of a visit to the area by the Legion's President Charles Benn and a team of officers. According to Cde Benn the war heroes have pledged their loyalty and support to the government, and the Legion has promised to work for the development of the organisation. Other officers of the branch are Vice Chairman-J. E. Russel; Secretary-Dal Gaskin, Assistant Secretary-J. Stevenson, Treasurer-W. Padmore, H. L. Young-Social Welfare Officer and Peter Stuart-Organising Secretary. Committee Members are P. Aaron, J. Chapman and C. Jackson. [Text] [Georgetown GUYANA CHRONICLE in English 19 May 83 p 8]

ANTI-WHP ACTIVITIES--Residents on the Corentyne have filed reports to OPEN WORD that an opposition party, once the only force in Eastern Berbice, is carrying out a surprising campaign against the WPA. Citizens complain that agents of this party are joining the hired help of the PNC in tearing down the Walter Rodney posters which are springing up in communities across the country as June 13 approaches. These non-PNC anti-Rodney forces are going about "warning" people that attendance at WPA activities will make them lose their lives and their property. There is no attack on the regime for its anti-WPA repressions. The reports say that the citizens are disgusted by the name-calling and the smear campaign. They have been particularly offended by the attacks on Walter Rodney which they thought only the PNC indulged in. The residents are aware that the WPA has nothing but praise for those PPP martyrs of 1973 and Father Darke, who lost their lives in a good cause at the hands of the PNC and the House of Israel. People are saying that to attack a martyr after his death when you did not attack him in his lifetime is not only cowardly, but is providing excuses for assassins. [Text] [Georgetown OPEN WORD in English 23 May 83 pp 4, 6]

WARNING TO FARMERS--Stern action will be taken against rice farmers in the Pomeroon-Supenaam Region (Region Two) if they continue to tamper with drainage and irrigation trenches, Regional Rice Action Committee Chairman Stanley Reid said Wednesday. He expressed concern following numerous complaints by other farmers about the state of the trenches and declared that defaulting farmers will be prosecuted if they fail to heed the warning. Speaking during a committee meeting at the regional boardroom, Cde Reid called upon the farmers to band themselves into work-groups in an effort to improve their general conditions as their ability to work together will determine how successful their individual ventures will become. During the meeting Regional Agricultural Officer, John Clowes, spoke to the farmers on the safe use of pesticides and weedicides. He told them to ensure that they use the recommended quantities of pesticides and referred to their tendency to use more than the prescribed amounts in their attempt to rid the plants of pests. Issues raised by the farmers during the meeting included improper drainage and irrigation facilities, poor husbandry, flooding of fields and limited spray cans. Farmers were told that efforts will be made by the Drainage and Irrigation Department, despite its limited funds, to assist them by cleaning as many trenches as possible. (GNA) [Text] [Georgetown GUYANA CHRONICLE in English 20 May 83 pp 1, 4-5]

VIGILANTE PROBLEMS--The crime situation in Region 6 (East Berbice-Corentyne) was raised in the Regional Council when a report by the Crime Committee was being debated. PNC member Inshan Ally who is convenor of the Committee submitted a report in which he said that there are 80 crime prevention teams working in the Region, and that as a consequence "everything is under control". This view however was hotly opposed by PPP members who insisted that crime was on the increase in the Region. Councillor Mahadeo charged that the vigilante groups indeed exist but are unarmed, and are expected to face armed gangsters "without even a cutlass". He insisted that plans for the arming of vigilante groups be speeded up. He called on the Regional Council to take the initiative in training and arming vigilante groups. "Only then will crime go down" he remarked. [Text] [Georgetown MIRROR in English 22 May 83 p 4]

FINES FOR WPA ACTIVISTS--Twenty-five WPA activists found guilty of taking part in an unlawful procession in September, 1981 were yesterday fined \$75 each by Principal Magistrate Desmond Burch-Smith. Court Prosecutor Edgar Persaud contended that they had taken part in the procession without obtaining permission from the authorities. But the accused, as part of their defence, claimed that they had applied twice in writing for such permission but had been refused, without any grounds being offered for the refusal. The activists have been given two months to pay the fine. [Text] [Georgetown GUYANA CHRONICLE in English 27 May 83 p 3]

EXPORT PROMOTION COMMITTEE--Vice-President, Administration, Cde. Desmond Hoyte, has appointed 14 members to the Export Promotion Council. Among them are Wilfred L. Lee, business manager, Ivan Carter of Gaibank; Dr. Thomas Richmond of Guyana Marketing Corporation; Desmond Graham of Guyana Airways Corporation; Dhan Singh of Guyana Manufacturers' Association and James Fraser of Guyana National Co-operative Union. Others named are Fitzgerald Griffith of Guyana Shipping Association; Gordon Forte, businessman; John Willems of the Forest Products Association; Ansan Ali of the Ministry of Economic Planning and Finance; Michael Brassington, a business manager and Bernard Fernandes of John Fernandes Ltd. Businessman Wilfred Rambaran and Charles Quintin of the Georgetown Chamber of Commerce and Industry are also named. [Text] [Georgetown GUYANA CHRONICLE in English 27 May 83 p 8]

QUICK SOLUTION WITH VENEZUELA--Georgetown, Guyana--Guyana's Prime Minister Ptolemy Reid today said that he hoped the differences with Venezuela on the Essequibo region, now in the hands of UN Secretary General Javier Perez de Cuellar, will find a rapid solution. The Venezuelan claim on slightly more than half of the Guyana territory entered this week into a new phase, according to the Geneva agreement signed in 1966 between Venezuela, Great Britain, and Guyana, toward the peaceful solution of the Venezuelan (?claim) on the Essequibo region. [Text] [FL211130 Santo Domingo Radio Earth in English 0330 GMT 21 Jun 83]

CANADIAN AID FOR AIRSTRIP--Georgetown, Guyana, 23 Jun, CANA--The Canadian International Development Agency (CIDA) is to provide 50,000 dollars (C) to help Guyana complete an airstrip at Lethem, the cattle producing centre in the interior, not far from the border with Brazil, a government statement said. The money is to purchase materials, mainly bitumen for the surfacing of the 1,820 metre airstrip, which is expected to facilitate an increase in the volume and weight of cargo moved to and from the region. Construction of the airstrip began in 1982. Heavy equipment for the project was provided by the Canadian firm of Shome Oil, which was exploring for petroleum in the Takutu Basin. [Text] [FL231606 Bridgetown CANA in English 1530 GMT 23 Jun 83]

CSO: 3298/1276

NATIONAL DEVELOPMENT PLAN ADDRESSES CRITICAL AREAS

Mexico City EL NACIONAL in Spanish 1 Jun 83 pp 5-8

[Text] National Development Plan: Overview

The National Development Plan has been formulated in the midst of the most serious economic crisis that the country has faced in its modern history and in the framework of grave world problems. The world today is in a transition period, and Mexico is no exception to this.

In 1982, for the first time in the country's modern history, the national product declined and, at the same time, we had an inflation rate of 100 percent; the unemployment rate doubled; our international reserves were depleted, and the country had virtually suspended payments. The persistence of social inequalities and economic imbalances, the lack of integration in production and the shortage of funds to finance growth are some of the internal factors that largely explain the current difficult situation, a solution to which demands that the nation display all of its creativity.

With the National Development Plan, the current administration is determined to firmly and responsibly tackle the domestic crisis, without either postponing solutions or sidestepping problems, not to return to the situation before it took office but to transcend it, in accordance with the mandate it received from the people at the 4 July 1982 election. This means attacking the causes of the situation and making qualitative changes in the economy and in the government's guidance of our development, in consonance with the political guidelines that society itself has reaffirmed at the polls and with its fundamental acceptance of the principles of the revolution as embodied in the Political Constitution of 1917.

The 1983-1988 National Development Plan is the result of the State's political will and of a major effort of social participation. It is the instrument that will lend consistency to the activities of the public sector, create the framework for coordinated action by the public and private sectors and by the three branches of government and thus combine the efforts of the entire society to rebuild the groundwork of national development and forge a different and better stage of our history.

Planning is a means for moving forward in the country's democratization. In times of crisis, a country understandably requires a more urgent blending of efforts and social solidarity to bring order to its actions, to generate confidence and to rationalize the use of scarce resources, as a starting point for any development strategy.

The plan contains the strategy for tackling the most severe period of the crisis, while maintaining national unity and identity and, at the same time, initiating the sweeping changes that society demands. Specific goals, as the Planning Law calls for, will be spelled out in the medium-term sector programs and established and reassessed annually under the corresponding operating programs. A clear-cut course is the fundamental thing. The plan is a guide for the qualitative changes that the country requires. It is not a straightjacket, nor does it stipulate rigid quantitative goals. In times like these, we must properly guide collective efforts and have the required flexibility. The future depends on our actions, our conduct and our ability to handle the situation with solidarity and nationalism.

The Great National Purpose and the Objectives of Development

The National Purpose

As an administration that espouses the principles of the revolution, this Federal Executive Branch pursues its activities to achieve the national purpose:

To maintain and bolster the nation's independence, so as to construct a society that in line with the principles of a State of law can guarantee individual and collective freedoms in a comprehensive democratic system and under conditions of social justice. To this end, we require a stronger domestic economy, through a return to steady growth that will generate the jobs that the populace needs, and a stronger society, through a better distribution of income among families and regions, as well as the continuing enhancement of the democratic system within a framework of individual freedoms and social rights.

Objectives of Development

From this great national purpose stem four fundamental and interrelated objectives that the plan intends to achieve between 1983 and 1988.

1. To preserve and strengthen democratic institutions: through the unity and solidarity of Mexicans, to remain a free and independent nation; through streamlined, timely and effective action to combat short-term problems and reverse the current worsening situation, with a full awareness of national and international realities and with a receptiveness to change.

2. To overcome the crisis: by dealing with current conditions to eliminate the causes of inflation, safeguard the basic consumption of the masses and our industry, and overcome financial problems and exchange instability, in accordance with a comprehensive approach to development that fosters the material and social conditions to begin a different sort of recovery.

3. To regain our capacity for growth: through the national utilization of available resources, balanced attention to the country's various production sectors and regions, based on a clear-cut policy of decentralizing national life, to efficiently coordinate production, distribution and consumption by strengthening the domestic market and undertaking a determined effort to step up and diversify foreign trade and to effectively replace imports.

4. To initiate the qualitative changes that the country requires in its economic, political and social structures: with the support and participation of the various segments of society and with democratic planning, to guide national efforts in accordance with the comprehensive democratization of national life and the moral renovation to bring about an egalitarian, free and democratic society.

Economic and Social Strategy

The economic and social strategy reconciles the battle against the crisis with a sweeping reorientation of the economy. Our strategy is to overcome our present difficulties and pave the way for an egalitarian society. The economic and social strategy proposed in the plan focuses on two fundamental spheres of action that are closely interrelated: straightening out the economy and structural change.

The First Line of the Strategy: Straightening out the Economy

At the outset of this administration, its Immediate Program set forth 10 points that contained the strategies for tackling the crisis. The measures called for have been undertaken firmly, and as stipulated in the program, we will have to persevere in the strategy to straighten out the economy as a permanent course of action. The fundamental points of the Immediate Program are brought up to date in the plan:

- Reducing inflation and currency instability
- Protecting jobs, industry and basic consumption
- Regaining the capacity for growth on a different foundation

The Second Line of the Strategy: Structural Change

The strategy of structural change entails an entire process that necessarily takes time to materialize. It is a question of reorienting and reordering to reestablish fundamental balances that have been shattered by the country's rapid industrialization and urbanization or else to strike balances that do not yet exist due to persistent lags, social inequalities,

the inefficiency of the production machine, the lack of domestic savings and our foreign trade gap. We cannot accomplish everything simultaneously and to the same extent during this 6-year period.

There are six general guidelines for the plan's overall, regional and sector actions, and they can be summarized as follows:

1. Emphasize the social and redistributive aspects of growth by making headway in these three spheres:

- Pay increasing attention to basic needs
- Create more jobs by boosting output
- Directly promote a better distribution of personal income

2. Reorient and modernize the production and distribution machine to develop an industrial sector that is integrated at home and competitive abroad. The industrial reorientation can be summed up in five points:

- Expand the supply of basic goods and services
- Increase the degree of integration by selectively developing the capital goods industry
- Tie industrial supply to foreign trade by spurring the efficient replacement of various imports
- Adapt and develop technologies and expand training programs to spur output and productivity
- Take effective advantage of direct government involvement in strategic and priority areas to reorient and strengthen national industry

And to develop an agricultural sector that will raise living standards and expand social involvement in rural areas, as well as guaranteeing basic foodstuffs for the people. There are four basic points to this strategy, which is part of the broader context of comprehensive rural development:

- Provide legal safeguards for the various forms of land tenure, continue distributing lands, regulating ownership and spurring the organization of growers
- Improve the terms of trade between agriculture and the rest of the economy and raise the living standard of the rural population
- Make full use of the production potential of the soil, boost the productivity of the land, reorganize support for production and guarantee our country's foodstuff sovereignty
- Efficiently coordinate agriculture, livestock raising and forestry and these sectors with industry and commerce

And to develop a more modern and functional services sector better geared to production and consumption needs. The strategy calls for:

- Establishing a modern, efficient transportation and communications system to support the country's overall development

--Promote a national supply system to cut down on excessive middleman operations between producer and consumer

3. Decentralize production and social welfare activities around the country. The three general tasks here will be:

--To halt the momentum of growth in Mexico City

--To promote the full incorporation of our various regions into national development

--To push for community involvement in regional development by strengthening the Federal Pact and the free municipality

4. Tailor financing arrangements to development priorities, which entails:

--Boosting domestic savings

--Optimizing the allocation of savings

--Reorienting financial relations with other countries

5. Maintain, mobilize and expand the national development potential. The strategy has identified four areas that require special attention:

--Enhance the potential of human resources

--Make science and technology part of national development efforts

--Protect the environment and bolster the potential for developing our natural resources

--Strengthen national culture

6. Strengthen the State's guiding role, spur the public sector and give incentives to the private sector

To meet our national challenges, we need a democratically strong State that has leadership ability and that can promote participation by the people, which will strengthen society itself. We need a public sector that can gradually organize the informal activities of the economy and strengthen its production enterprises on a lasting foundation of equity and efficiency, as well as a private sector with creative imagination and the willingness to effectively meet the demands posed by the current national conditions.

Implementing the Strategy

General Economic Policy

The reorientation of economic policy and the changes in the production structure that the strategy intends to promote will bring about a moderate but sustained, more efficient and more just recovery with declining inflation rates, once the initial economic situation has been straightened out in 1983-1984. We will gradually reestablish compatibility between creating the jobs the people need, stability on the foreign exchange market and sound financing of growth.

As far as government spending is concerned, we will pursue five objectives: promote social development; see to it that domestic demand remains at a level that the economy can absorb efficiently and with sound financing; bolster the capacity of the production and distribution machine in priority and strategic areas for national development; promote a more balanced territorial distribution of production and social welfare activities, and assure efficiency and honesty in disbursements.

With regard to public enterprise, the basic objectives are: bolster the mixed nature of the economy; help supply socially necessary goods and services; support the integration of the production machine; overhaul and modernize public enterprise; mitigate the negative impact of income inequalities; support the decentralization of the production and distribution activities of public enterprises; contribute to the sound financing of development, and adopt mechanisms and policies that will insure that the objectives of public enterprise are met and that it is run ethically.

In the area of development financing, the government will seek to create as many stable jobs as possible without overly expanding the money supply and while resorting less to overseas credit. This will require: regaining and strengthening the capacity for domestic savings, both public and private; assuring that financial resources are efficiently channeled towards sector and regional development priorities, and reorienting financial relations with other countries. The above actions will cut inflation and revive public and private investment on a sound financial foundation and with a suitable pattern.

The next section mentions that the aim of reorienting development strategy is to overhaul the external sector in such a way that it can generate the foreign exchange needed for the efficient operation of the production machine at high levels of economic activity. This requires strengthening trade relations; promoting our nonoil exports on a sustained basis; opening up new markets and efficiently replacing imports; boosting the contribution of technological, administrative and financial resources from overseas, in accordance with development priorities, and reorienting overseas financial relations to secure the complementary resources that the country's development requires under advantageous conditions.

Policy in the field of training and productivity seeks to make efficient use of resources and to boost the levels of social well-being and mobility. This requires: achieving a better balance between the supply of and demand for skilled personnel by making better training more available; selectively boosting and orienting productivity in accordance with conditions in the various regions or enterprises, and more equitably distributing productivity gains among prices, profits and wages, among sectors, among enterprises of different sizes and among regions. The above will help to transform economic growth into social development.

Social Policy

Social policy spells out employment and income distribution objectives and sets forth the goals and corresponding courses of action in the area of basic needs: schooling, health care, social security, urban development, housing and the environment.

Social policy will devote special attention to the following objectives:

1. Create more jobs and protect and gradually improve the buying power of wages. The guidelines for action are as follows: quickly consolidate the programs protecting jobs and industry; strengthen the national employment system; expand and simplify access to the support that the government gives to economic activities; grant specific incentives to small and medium business; support the organization of social units of production, distribution or credit; in particular, encourage the organization of cooperatives and credit unions in the social sector; encourage producers to participate in the marketing and distribution of mass consumer goods; expand and consolidate actions to protect wages; modernize all regulations governing working conditions and see to it that more workers are covered by collective bargaining.
2. Combat social backwardness and poverty, in particular by making progress in directly satisfying the people's basic needs. The measures to combat social backwardness and poverty will give priority to improving the situation of our poorest peasant farmers and of disadvantaged urban groups. Social organizations will be strengthened to take full advantage of the existing resources in backward zones and to see to it that rural producers have more control over production and marketing.

Education and culture are both part of and promote development. Educational and cultural progress is thus decisive in moving forward towards economic and social well-being. Therefore, the fundamental goals for the education sector are: to promote the well-rounded development of the individual and of Mexican society; to give all Mexicans greater access to schooling, culture, sports and recreation, and to enhance the services related to these activities.

The strategy for food and nutrition is to consider all of the phases of the food chain, from production to consumption, on a comprehensive, dynamic basis. To this end, specific programs call for a wide range of actions that will help to reorient production, distribution and consumption guidelines in a collective effort that will entail bolstering the coresponsibility of society as a whole and of the economic agents and sectors involved in production, processing and marketing.

One of the social programs for which guidelines are established concerns health care, and its aims are as follows: to see to it that health care services provide nationwide coverage, while insuring that they are of reasonable quality for all residents of the country; to improve the health of our people, particularly in backward rural and urban

areas; to encourage population growth consistent with economic and social development, while fully respecting the decisions of couples, and to promote social safeguards that will further the well-being of low-income individuals, especially the under-age, the elderly and the handicapped.

There are five major elements to the strategy that will be adopted in this regard: prevention; overhauling and updating services; consolidating the system; reorganizing social welfare; and training, schooling and research.

From an administrative perspective, the strategy is designed to consolidate a comprehensive system and to decentralize services.

The social security system seeks a comprehensive approach to the well-being of the worker and his family.

With regard to urban development, the policy is to better utilize existing infrastructure and to develop the potential of zones other than already congested ones. Urban development entails consolidating a national urban system that will help to control the growth of large cities, spur the development of alternative urban centers and distribute the goods and services linked to urban development in a more equitable manner. The goals within population centers will be to regulate the use of the soil and to orient growth.

Housing is a basic need and a key element in social development. Hence, housing policy will pursue the following objective: to help overcome urban and rural housing shortages.

Furthermore, housing policy calls for the creation of a National Housing System to regulate and guide housing development and seeks to have the pertinent legal grounds reviewed.

Finally, the mental and physical well-being of Mexicans, as well as the quality of their recreational activities and their use of free time, are closely linked to society's ability to establish rational economic and technological relations with their environment. In view of this consideration, ecology and the environment call for another primarily social strategy. The guidelines in this regard are to promote research and training and to create mechanisms for rehabilitating the environment and preventing ecological decay. Among the most important measures are: ecological land management, soil conservation, air quality control, solid waste treatment systems, and updating and rounding out laws and regulations.

Sector Policies

The section on Comprehensive Rural Development states that the fundamental objective of the strategy is to raise the level of well-being of the rural population through their organized participation and through

a full utilization of natural and financial resources in accordance with social criteria of production efficiency, stability and equity, thus further integrating the countryside with the rest of the nation.

The more specific goals are to: encourage the rural population to become involved in national development by strengthening their organization; improve the diet, housing, health care and schooling of the rural population, with preferential attention to the most underprivileged groups; create more stable jobs and improve income distribution; expand and strengthen the production of basic consumer staples, especially in rainy areas; foster fairer terms of trade between agriculture and the industrial and services sector; efficiently coordinate farming, livestock and forestry activities among themselves and with industry through agroindustry and with commerce and services; rationally harness the countryside's development potential; and improve our trade balance by replacing imports and promoting exports of agricultural, forestry, fishing, agroindustrial and handicrafts items.

The purposes of the Comprehensive Agrarian Reform are to: distribute all legally appropriable land; grant legal guarantees for the various forms of land tenure in rural areas and arrange settlements in ejidos and communities; consolidate the internal structure of peasant farmer groups by overcoming the problem of small plots [minifundios] through agrarian organization and by promoting the comprehensive development of natural resources; create more productive jobs, boost the income of farm workers and the income of farm groups; foster a moral renovation of the relations among the sectors in charge of implementing the actions of the comprehensive agrarian reform so as to put an end to corruption; to achieve a true participatory democracy in the making, execution and assessment of decisions, and continue the programs of the comprehensive agrarian reform within the framework of democratic planning based on consultation with the people.

The strategy guidelines to achieve these goals center around the distribution and organization of the land and around incorporating peasant farmers into the country's general development process through their organized participation.

In the field of water resources, the objectives of medium-term special programs are: to make optimum use of them; to develop the infrastructure needed to control water and use it efficiently; to effectively and efficiently manage water resources in accordance with the requirements of users and potential supplies; and to control and reduce water pollution in all its forms.

The main goals of fishing policy are: to help improve the diet of the population; to generate jobs, especially in underdeveloped areas and among backward groups; to generate foreign exchange through exports of fish products; to promote regional and community development, and to raise the living standards of workers in the fishing industry.

These guidelines are the basis for specific courses of action and strategic projects in: the fish catch; fish breeding; processing; marketing and transportation; organization and training; programming, research and technology; consumption; administration, planning and development; fishing regulations, and financing.

Forestry activities should be primarily geared towards enhancing the quality of life of the residents of forested areas through a rational development of this resource that will meet the raw material requirements of the domestic consumer market and maintain an ecological balance.

The strategy for reorienting and modernizing our industrial machine is to develop a broad-based domestic market that will promote an integrated industrial sector at home that is competitive on foreign markets. There are five strategic guidelines: expand the supply of basic goods; strengthen the branches of production that efficiently coordinate domestic output, promote the branches that generate foreign exchange; create our own technological base, which is necessary for national economic independence; and make government-run industry an important element of support for the four above guidelines.

The strategy gives priority to the branches that have a broad and growing end-user demand, that efficiently incorporate abundant domestic resources, that generate a demand for capital goods that can be efficiently produced in the country and that complete the production chains of priority items.

These general and strategic policy guidelines dictate the courses of action of the various branches of industry on the basis of their relative importance in the strategy for structural change and for direct action by the government.

Thus, there are six major priority areas in the basic goods sector: the food industry, consumer durables and nondurables, health care, education, mass transportation and housing materials. The goal in foodstuffs will be to promote the participation of small and medium industry and government-run enterprises; in garments, footwear and other related activities, to rapidly encourage greater use of plant capacity by assuring supplies of industrial raw materials of natural and petrochemical origin and of capital goods; in housing, to promote the development of local materials and their production; and in pharmaceuticals, to spur production of active substances and give financial and technological support to domestic industry.

As far as the capital goods sector is concerned, the strategy will be implemented selectively, by promoting, on the one hand, the domestic manufacture of widely used machinery and equipment and, on the other, machinery for the basic processing of materials in metalworking, chemicals, petrochemicals, energy and other priority branches.

We should emphasize here that while respecting the imperatives of international competition, an import substitution strategy will seek to develop capital goods in a way that does not distort the activities and relative expenditures pattern of domestic production factors.

Most of the priority intermediate goods are widely used inputs that are critical to production chains and processes and that are based on natural resources development. We are talking, in particular, about those goods of which the country has an abundant supply and which also have a large domestic market or show export potential. The Paper and cellulose, chemicals, petrochemicals, iron and steel and basic metallurgy sectors are regarded as key sectors in economic development because of their interrelation with the rest of the branches of industry.

The courses of action in the energy field concern: the consolidation of sector coordination; optimum use of energy sources; increased efficiency in the production and distribution of hydrocarbons; improved operations in the electric power subsector; suitable coordination with the rest of the production machine among sectors and regions; greater competitiveness in international trade; diversification of energy sources; increased productivity and self-financing capacity for energy enterprises, and bolstering the development of a technological, material and human base for the energy sector.

The strategy for mining focuses on integration, which will enable the input requirements of the domestic market to be met and foreign exchange to be generated. The guidelines here are to: streamline exploration programs; enhance the efficiency of production and marketing; pursue a financial housecleaning program; boost our share in the world market; develop our own technological base; spur the participation of small and medium mining companies; set up industrial plants to recycle scrap metal, and group together government-run bodies by production branches. Other courses of action are to optimize the growth of the sector and streamline exploration programs.

An effort will be made to better integrate the transportation sector and improve its coordination with the production machine. In particular, a better balance will be struck among the various modes of transportation in specialized terminals. Current operating practices will be updated; fares and regulations will be systematically revised, and infrastructure will be maintained, expanded and modernized.

With regard to the modernization of commerce and supplies of mass consumption items, the aim is to transform distribution structures, especially for mass consumption items. Specific measures to this end include the standardization and streamlining of the various stages and processes of supply; building up buffer stocks; a comprehensive price policy that includes guaranteed prices, prices and fares of goods and services from the public sector, controlled prices and subsidized

prices; a financial program to serve the various forms of commercial organization; and upgrading the infrastructure of public markets.

The measures to diminish social inequalities include promoting a social approach to the production, supply and marketing of staple items; ending profiteering, and integrating the processes of production, distribution and consumption. The general aim is to narrow the gap between the price received by producers and the price paid by consumers.

The main short-run goal of tourism policy is to help solve national problems by bringing in foreign exchange and generating jobs. The overall strategy is based on an intensive and efficient use of operating capacity, a pricing policy that will keep us competitive on the world market and boost domestic demand, and an optimum allocation of financial resources.

The fundamental objectives of scientific and technological development are to: significantly enhance the country's scientific and technological self-determination; increase our knowledge of the country's physical, human and social realities; offer scientific and technological solutions to the country's economic and social problems; contribute to regional development and to the decentralization of goods and services production; and create an awareness among all strata of society as to the importance of science and technology in the nation's economic, social and cultural development. The main tool of technological and scientific policy will be the Scientific and Technological Development Program, for which strategic guidelines will be established. The following courses of action are also set down: data for planning; priority tasks, and bolstering infrastructure, technology transfer and international cooperation.

The goals of the integrated communications systems are to:

Reaffirm the nation's sovereignty over the electric and electronic media; strengthen national independence and contribute to a thorough and comprehensive exercise of sovereignty; facilitate the timely conveyance of information at the lowest cost to the community; contribute to the decentralization of national life and to the development of a more egalitarian society; maintain acceptable quality in domestic communication services and in overseas links; make mass communication services more widely available; rationalize the procurement of telecommunications equipment; modernize operating and administrative practices and review fares and charges for customers.

To this end, the following strategic guidelines have been set forth:

The establishment of a modern and efficient telecommunications system with wide coverage; the modernization of services management; promotion of national technological development, and enhancing the links with social and cultural development policies.

Regional Policy

Regional policies set forth the foundation for the decentralization of national life and regional development; the guidelines for comprehensive development of the states; the groundwork for a better integration of the country's various regions into national development; the strategic guidelines for reversing the trend towards concentration in the metropolitan area of Mexico City, as well as the steps required to make the growth of Mexico City more efficient.

Decentralization of national life is essential to our political, economic, administrative and cultural consolidation as a balanced and fully developed society. The main political goal of decentralization is to reassess and redistribute fields of jurisdiction among government agencies. Economically, it entails a more equitable geographic redistribution, to which end the priority spheres of action are the integrated communications and transportation system, the national supply system and promoting production throughout the national territory. As far as culture and education are concerned, it must fulfill the dual purpose of strengthening the cultural identity of the regions and providing them with opportunities to enrich themselves through exposure to other cultural manifestations.

The aim is comprehensive development among all of the federation's states, especially the least developed ones, so that they have the economic and administrative capacity to achieve higher levels of well-being and progress.

The following steps are indicated to attain this objective: stronger links between the urban and rural economies; organizing democratic planning systems in each state; formulating plans for each state that take their individual features into account and chart a specific development strategy; strengthening municipalities by pushing for their autonomy, shoring up their economies and, in line with their potential, developing the most effective links with state and federal government; establishment of Single Development Agreements, based on the fundamental political guidelines of the the current administration, to meet the priority needs of the states; balance out the regional allocation of spending and anticipate its impact, thus promoting economic activity in all states; and social participation in regional development programs, based on the wideranging, democratic involvement of the entire population.

The regions whose resources and location make them strategic for the country's future should be better integrated into national development. To this end, some major areas have been mapped out in which nationwide actions and state development strategies should converge towards common goals of regional development and integration. These areas are the north, southeast, north central, the central Pacific coast, the gulf coast and the central region, with specific measures for the metropolitan area. Programs will be formulated immediately for the northern border, the Gulf of California, the southeast and the metropolitan area of Mexico City.

A strategy is then proposed for redeploying economic activities throughout the country. It seeks to lend priority support to regions located between the capital of the republic and the coasts, which are already viable alternatives for decentralization of the further potential growth of Mexico City, and to rationalize and control its current growth.

The strategy of redeploying economic activities around the country entails four courses of action:

- Intensify the decentralization of industrial growth by opening up potential alternate sites;
- Stem the migration to the capital by promoting rural development in the areas losing population;
- Establish urban and regional trade systems that are relatively independent of Mexico City in the western part of the country and along the Gulf of Mexico.
- Enforce tighter restrictions on setting up manufacturing and service activities in Mexico City and rationalize its physical expansion.

As far as Mexico City is concerned, after diagnosing its problems, the Government of the Federal District has stated that the ultimate goal is to provide decent living conditions and viable options for development for people who live in the city. There are seven subgoals in this regard: improve the quality of life of city dwellers; create more jobs, improve housing and boost output and supplies; greater involvement and better organization of the citizenry in expressing and meeting their needs; bolster the mechanisms guaranteeing that the policies carried out in Mexico City are consistent with furthering the goals of the national development policy; promote the decentralization of national life from inside the city; strengthen the financial and management capacity of the Department of the Federal District; and coordinate the analysis of the metropolitan zone's development with the governments of neighboring states.

Participation of Society in Executing the Plan

The plan is the responsibility of the Executive Branch and the result of wideranging input from society through the consultations held during the presidential campaign and the People's Consultation Forums, which were instituted under the Planning Law as of this past February.

The involvement of society was important during the formulation of the plan and is essential to its successful implementation. The plan's actions must be complemented by the actions of the various segments of society in a united effort to overcome the crisis and establish the country's social and economic development on a new and solid groundwork, which will enable us to achieve our national objectives.

Action will be taken under the plan in the four spheres provided for in the Planning Law: compulsory action, within the province of the federal public sector; coordinated action, comprising the planning

activities that the Federal Government performs along with state governments; motivating action, which has to do with the handling of economic and social policy and its impact on the actions of private individuals; and cooperative action, which comprises the activities that the public and private sectors agree to engage in jointly.

The plan is binding on the Federal Government. To comply with its guidelines, it will have to revamp its everyday practices, gear its procedures to the planning process and bolster discipline in pursuing its activities.

The organization of state planning systems is being supported in each state, with full respect for their sovereignty, so that the states themselves can promote and manage their own development.

A more just and egalitarian society requires new forms of participation and cooperation by the social sector. The National Development Plan provides the elements for creating them.

The involvement of the organized labor movement will enable us to continue raising the living standard of the workers through the special programs and actions to boost the consumption of staple items and to satisfy essential needs.

Within the framework of a mixed economy, the constitution recognizes the need to promote the activities of the private sector so that it can perform its important role in the development process.

Business will have to modernize its organization, analyze each branch of industry more thoroughly, boost productivity and efficiency, enhance its cost structure and international competitiveness and spell out its opinions on taxes and tariffs in investment decision-making, among other major issues bearing on its involvement in development.

Technicians, professionals and researchers will play a fundamental role in the efforts to reassess and upgrade production processes and in creating technologies consistent with national realities.

The mass media can help achieve the objectives of planning by giving a greater voice to the various social groups in national development tasks and as intermediaries between the State and civilian society.

Young people entering the job market at a difficult time for the country will be given new opportunities to channel their dynamism and their concerns into concrete activities that benefit the community.

This administration is constantly concerned about offering women equal opportunities in all aspects of national life. Their involvement in the execution and evaluation of the plan is of great importance.

Associations of all kinds can combine their ability to rally segments of the community towards achieving our national objectives.

Indigenous groups will enjoy greater participation in state and municipal planning. The pertinent organizations will be obliged to consult with indigenous organizations as to the procedures and sites for the programs and activities that will favorably or adversely affect their production and cultural conditions.

The community in general can help in the short run to overcome the crisis by pledging its efforts and solidarity to defend jobs and industry in the country, to combat inflation and to face up to the stresses caused by world economic instability.

8743

CSO: 3248/896

CONCANACO PRESIDENT STRESSES BUSINESS ROLE IN ECONOMY

Mexico City EXCELSIOR in Spanish 25 May 83 pp 1, 21

[Article by Aurelio Ramos]

[Text] Monterrey, Nuevo Leon, 24 May—The economic crisis, which has halted growth among the autonomous government agencies because of a lack of financing, is providing a "grace period" for businessmen during which "we have to show them that it is not necessary to divert public capital toward this sector because we know quite well how to do things," said Emilio Goicoechea Luna, president of CONCANACO [Confederation of National Chambers of Commerce].

On being reelected for another year as the head of this organization, he stressed that businessmen had an opportunity to "make our productivity our best technical argument since they do not want to listen to our ideas, ideas which would show that we are producers par excellence."

During this period private enterprise can play its own role and prove that there is no necessity for diverting resources needed by the nation when they can be invested in projects that are truly of general interest and can provide services for all Mexicans.

Goicoechea Luna presented proposals from the business sector, one of which, he stressed, was designed to "strengthen the principles of business ethics" as the first contribution to the moral renewal that the nation is seeking. "Therefore, we will reject," he said, "all acts that corrupt, no matter what their origin is."

In addition, he promised that "we will improve distribution and make our firms efficient, along with the links between producer and retailer; we will give Mexican business the image we want it to have because it is the best one technically, economically, and socially. We will consolidate our efficiency and our efficacy, combatting both public and private monopolies, and protect or strengthen the small and medium merchants."

He stated that big business entrepreneurs would not lag behind with regard to the changes which the country demands because the elements of change are known, and he asserted that the Mexican nation must be the master of its destiny, "but we should not confuse nation with government."

"We Do Not Believe In Supremacy"

Prior to his reelection, Goicoechea Luna told reporters that the private sector believed in the supremacy of the nation in the economic field, but not in that of the government, because those terms are distinct. The former takes in all of us, "while the supremacy of the government is absolutist, and in that we do not believe."

He noted that it was the responsibility of businessmen to point out negative aspects of the government since "it would be wrong for us to remain silent about these things." However, he stated that "whatever we have said has been said with great respect, with no intention or desire to start a polemic. We simply point out the errors that should be corrected."

He also said that this sector had remained quiet in the face of attacks against it for many years, and therefore it is now "right for us to carry out a campaign to redeem business," given the fact that it is blamed for wrongs and responsibilities it does not have.

He said that the cause of prevailing business conditions was inflation and warned that only when this phenomenon is solved would we be able to enjoy a better social climate in this country.

Goicoechea Luna also remarked that businessmen want wage increases for the workers that will be sufficient to make demand dynamic nationwide. Merchants sell more when there is more money in the pockets of the people. But the impact of this factor on inflation should also not be forgotten.

9015
CSO: 3248/870

LABOR LEADER CRITICIZES OPUS DEI ACTIVITIES

Mexico City EL DIA in Spanish 24 May 83 p 3

[Article by Norma Perez Vences]

[Text] The Mexican Government should investigate, through the Secretariat of Government, the businessmen who attended the meeting organized last Sunday by Alvaro Portillo, president of OPUS DEI, and punish them in a manner suitable for those who betray the fatherland by abetting foreigners to interfere in domestic problems.

After stating the above, Alfredo Pantoja, leader of the Free Workers Unions, said he felt that Article 33 of the Constitution should be applied to foreign ecclesiastical agents, and Mexican religions should be called on to confine their duties to those appropriate to their calling, "since they have been violating the Constitution gradually and systematically in disregarding their pledge not to intervene in politics."

Alfredo Pantoja also explained that OPUS DEI was becoming increasingly influential in the economic life of this country as it owns property in practically every field of economic activity, not counting its high level of penetration in the social arena, which it enjoys through the churches.

For this reason Mexican authorities should put a halt to the increasingly evident activities of the Church in politics as soon as possible.

Finally, the independent labor leader said that all firms in the hands of OPUS DEI at the moment should be expropriated and placed in the hands of their workers.

9015
CSO: 3248/870

OIPUH FORMED TO PROTECT PEASANT INTERESTS

Mexico City PROCESO in Spanish 16 May 83 pp 22-24

[Article by Guillermo Correa]

[Text] Sierra de Hidalgo--The situation is one and the same: Poverty, rebellion and recriminations are combined against the "blue-blooded governor, who is from society's upper crust: bourgeois, cultivated, intelligent and even brilliant, but only for the purpose of repressing us": Guillermo Rosell de la Lama.

He is called "Rossellito" by the representatives of 150,000 Nahuatl Indians living in Huasteca, Hidalgo, who, aware of their situation, warn that if the fate awaiting every peasant who refuses to go along is murder, "we are going to confront the situation because we no longer want to be under the yoke of the bosses and the government."

The fact is that here, time is almost not counted in days, but rather, in the number of those dying in the fight over land. It is a battle fought through invasions and organization because "we cannot stand it any more. We have more problems than we did before, only because we believed that they were going to be solved legally."

PROCESO toured part of Huasteca adjacent to the state of Veracruz. Guided by peasant leaders, it observed that dissent is unanimous and growing. Here, one "has to kill or be killed, but not because there are fights over public lands, as the governor thinks, but due to the fact that the bosses are an intolerable problem."

"They call us guerrillas," say the members of the Independent Organization of the United Peoples of Huastecas (OIPUH), "in order to have an excuse to fight us, because through our invasions, we have recovered over 23,000 hectares that were taken away from us by the Austrias, the Zunigas and Fayads, who are now entrenched in the municipal capitals, from which they sabotage our activity and boycott us in the information media."

For the governor, says Hector Martinez, head of the OIPUH, many of our problems have now been solved. "But we do not see this because the same suffering exists that we had 20, 50 or 100 years ago. Proof of this is the militarization of the region, the establishment of an undeclared state of siege. Any

kind of demonstration or protest is persecuted and banned. OIPUH propaganda is confiscated and our comrades are tortured."

The governor has different view, stating, for example, that since he took office in April of 1981, the problems of Huasteca Hidalguense have ended, especially beginning with the expropriation and purchase of 30,000 hectares of land to be turned over to the inhabitants. He claims that "a climate of absolute cordiality and social peace" reigns.

He prides himself on having decreed amnesty and on the fact that there are no more political prisoners in the state. He claims to prefer to listen and negotiate any dispute rather than to use repression. He complains that the OIPUH "attacks the government, usurping the name of the communities and using the press with the sadly famous army deserter, Alejandro Hernandez Dolores, who is its leader." In addition, he complains that the press "pays attention to the problem of a few peasants who have gone up into the hills."

For the governor, everything is going well, thanks to which "we are facing the area's problems, for the first time in history," with energy and from the right direction. One example is the Huasteca Hidalguense Rehabilitation Plan, being carried out with an investment of 23 billion pesos. It involves the construction of five irrigation units, 52 storage facilities for consumable expenditures, already built, three collection storage units, 19 cattle ranches and the creation of an "ecological micropolis of intermediate development" in Huasteca.

That is all well and good, but in Metlatepec, the farmers on El Machin and Coyoles properties showed this reporter that the irrigation systems are no longer in operation, ruining part of their land. The El Machin land was taken on 9 April 1981, they explain, due to the fact that the request presented to the Agrarian Reform was never considered. The land belonged to boss Efrain Zuniga and is now regulated. The irrigation system here is a failure. "The truth is that the governor is lying and making fun of us. He goes around bragging, but many of the projects only exist in his imagination."

Octavio Hernandez, representative of the Coyoles community, reports that on the Chapopote farm in Verzczuz, they tried to achieve the same thing, an irrigation district. "We think that that is going to happen to us here because there are many programs but little action," he says, pointing to the pipes covered with weeds, proof of the fact that the long-promised water has never arrived here. Work has been abandoned and has been for over 3 years. The same is true of the Atlapexco bridge "and the highway from here to Huautla is a mess."

In Atotomoco or Tohuaco Matzintla, the Miguel Hidalgo School is about to fall apart. Another is being built, but the bricklayers go twice a month. There is no drinking water and the 55 local families drink from the streams. However, now, because of the drought, "we can do nothing but wait. That is why we joined OIPUH, despite the fact that anyone who speaks the truth is threatened. The governor is very shrewd. He pretends to help us in order to bring us into his net. He lays many traps, promises, but never keeps his word."

Another of the towns visited was Tohuaco 11, where the pipes for drinking water have been down for a year. In Cuamitla, in Huatla, which is four hours on foot from Pantepec, Puebla, where 14 peasants were killed at the end of last year, the situation is the same.

Alejandro Hernandez, the Great Leader

Very close to the municipal capital of Huatla, the place was chosen by OIPUH for a peasant meeting on 14 May to commemorate the organization's sixth anniversary. Consequently, there are unlimited precautions. All access roads are watched by groups of Indians, armed with their eternal machetes, on the lookout for a possible attack by gunmen paid by the bosses, who usually lay ambushes near the mountain gorges.

Four days before the event, this reporter met with Indians from all towns in the mountains. There, the council of elders recalled how, both before and after the Revolution, "the bosses got us drunk on brandy in order to kill as many as they could and then keep the land.

"For years of hard labor, with wages that are still less than 80 pesos a day, we tried to use the legal means represented by the Secretariat of Agrarian Reform. It was in vain and we were forced to occupy the land because the strength born in us comes from hunger and we hope it will be endless. That is why we are asking for help, solidarity, because the governor is not going to solve the problems of Huasteca merely with words."

It was made clear that the governor has two options: to destroy OIPUH through repression or respect us. However, if they kill us, our children will continue the fight." It is explained that once the land is taken, people's assemblies are immediately set up so that every village will be able to defend itself.

The teachings of Marx, Lenin, Villa and Zapata are heard in the mountains. Killings and torture are tales which, like the beads of a rosary, are unending. The Indians themselves speak of Alejandro Hernandez Dolores, their leader. They say: His existence is real, not mythical. "He is like us and represents our interests, but he is not a guerrilla, as the government would have people believe. OIPUH no longer means a regional struggle; rather, it has spread throughout the country through the National Coordinating Board for the Ayala Plan(CNPA) to which we belong, because it seeks democracy and freedom."

The case of Hernandez Dolores is mortifying for the peasants. They claim that he was accused of belonging to the Socialist Workers Party (PST) and of having guerrillas under his command. They add that this story was spread a few years ago and that it was a fabrication aimed at weakening the organization and at "burning our leader." That is all false, Hector Martinez, who headed the meeting, claimed, just as it is false that guerrillas are organizing in the mountains. "What they want is to dissolve the fight against bossism and repression that we began several years ago."

Few know him. Even Governor Rossell de la Lama, who, unlike the Indians, maintains that he "knows only his background in the army as a deserter, his record

in the Federal Security Directorate, the Office of Attorney General of the Republic and the Office of State Attorney General," where all his crimes are recorded.

"I hope that we can get to know him one day," he says, "and if it is possible to rehabilitate him, then it should be done. We assume that he is an intelligent, shrewd man, but he is leading a cause against the government.... I would like to see proceedings before the Higher Court of Justice of the state, before federal organs and the army itself in order to reopen his cause, if he does believe he is innocent."

The truth is that he is concerned because he has also stated that the development program in the area "implies a series of ways of communication (that) would affect the insularity of the stronghold of Alejandro Hernandez Dolores, the illustrious ex-soldier."

During the meeting in Cuamitla, a brief survey was made of what is happening in the region. On 2 February 1983, 90 infantry men from the military detachment in Huejutla, Hidalgo, arrived suddenly and set up a base and camp on the property of the boss and former municipal president of Huatla, Anacleto Mendoza Montoya, near the recently formed common land town Emiliano Zapata in the municipality of Atlapexco, occupied at the beginning of the year.

On that same day, authorities, headed by an official from the Ministry of Justice, Victoriano Lopez Lopez, Sadot Arozqueta, subprefect of the state, and Jonatan Vega, attorney general, threatened the peasants occupying the land and offered them 2 hectares of land each, which they refused. Another day, a team of doctors sent by the governor arrived to take those sick to Huejutla, using trickery. Their mission was also refused. On 4 February, two squads joined the camp and 17 government representatives agreed to give 5 hectares of land to each occupier. On 7 February, the governor arrived "with 30 aides and 30 legal agents" to deliver provisional documents and the usual promises: schools, light, drinking water, clinics, loans and corn.

In the meantime, the leaders claimed, the army's vigilance was stepped up throughout the region and reserve corps were set up in Palo Gordo, Tecolotitla (Atlapexco), Candelaria (Huejutla), along with patrols in Cacateco, Congreso, Rancho Viejo, Los Parajes, Los Otates, Calmetate, Homotitla, Coyuco and Santa Cruz (Huejutla).

On 9 February, the soldiers spread out in the mountains to register all peasants they found. Tractors also arrived to begin the clearing and earthwork for the irrigation system on the Tenexco property (place of the occupation), destroying newly planted crops without the consent of the people. On 11 February, there was a confrontation caused by an armed man, Feliciano Sanchez Mendoza ("El Chino"), in which one peasant died. Members of the Mexican Democratic Party (PDM) were kicked out of Huitzotlaco, a dependency of Tenexco 1. Their homes were destroyed and they were forced to take shelter in the government headquarters.

"Many of the peasants were taken away by the bosses to Temporal and Panuco, Veracruz, to work as laborers, while their wives and daughters were raped. Three days later, a meeting was held in Atlapexco by the bosses and Luis Flores, municipal president, protesting OIPUH.

"On 25 February, upon being identified as a member of the organization, peasant Domingo Hernandez was arrested upon orders from the municipal president of Huazalingo, Carlos Fayad Orozco (a boss' son). Jailed, he was beaten and kicked in an attempt to make him inform on his comrades. He was then forced into a helicopter and threatened with being thrown out if he did not give up the fight for independence."

On 27 February, Martha de la Cruz was arrested upon orders from Galo Florentino Teran, president of Huatla. The crime was spreading OIPUH propaganda. On 5 March, the communities of Amaxac and Tosquitac (Huazalingo) were threatened for cooperating with OIPUH. Peasant Juan Jose Antonio was beaten into unconsciousness and left. On 13 March, Anastasio Naranjo was arrested. On 17 March, legal authorities tried to do the same with Tenexco authorities, but in the municipality of Chicontepec, Veracruz."

Threatened With Starvation

For the Huasteca Hidalguense Indians, the repression is not just physical. "The truth is that we have also been sentenced to starve to death," say the people of Chiliteco. "Here, the 55 peasant heads of family have just sold 49 head of cattle. To begin with, one must state that the manager of Banrural Central-South, with offices in Huejutla, was irritated because the sale was made directly. He said that the check should be made out to Banrural and that he would cash it and give us the money."

"He got made," says Horacio Cantu, common land commissioner, "mainly because they paid us 1.6 million pesos for the cattle, but since Banrural is in a mess, they forced us to pay 1.4 million pesos for what they loaned us to buy the animals, plus interest."

"Then they deducted 72,000 pesos for the first year, plus a total of 110,000 for 1983. Now, since they found out about the sale, they charged 115,000 pesos for interest up to October. In addition, the SARH [Secretariat of Agriculture and Water Resources] came in December to offer us corn and beans to plant, but everything was ruined by the drought. That is when the bank charged for the livestock."

Documents turned over to PROCESO show that the loan from Banrural to buy the livestock was not over a half million pesos and that the interest was 16.5 percent and 18.5 percent in case of any delay. They are signed by Emiliano Escudero Melo, Banrural official.

The discontent is thus obvious because "they are building roads even though we have no cars, meaning that they will only be used against us. We are going to tell you everything," they say, "but then you will be from the PRI [Institutional Revolutionary Party] and you will inform on all those with OIPUH."

"Where is your leader?" they ask. "Don't you know that now, each one of us is Alejandro Hernandez Dolores?"

OIPUH has nothing to do with parties, they emphasize, although "we do take into account the social and historical experience of human thought, which is the only thing that can give us clarity in order to improve our perspective. At the assemblies, all peasants are informed and instructed about their historical reality, their present, and how they can modify their future.

"We are rooting out alcoholism. We are demanding that if Rossell is truly bent on helping his people, then the land the bosses still hold should be expropriated. There should be clinics and schools in the region, immediate vaccination and food, mainly for children. The distribution of irrigation should be handled by the peasants. Repression must cease and they must recognize that we exist and stop trying to destroy us as an organization," says Hector Martinez, one of the OIPUH representatives.

"We are no longer the same as we were before, no longer," echo the Indians of the region.

11,464
CSO: 3248/841

BRIEFS

SECOFIN FINES CORN HOARDERS--Guadalajara, 14 May--SECOFIN [Secretariat of Commerce and Industrial Development] inspectors closed 15 commercial establishments yesterday and fined another 175 for altering official prices. They also confiscated 44 tons of corn hidden in storage bins in Tlaquepaque and this city. This information was released by Alejandro de la Vega Michel, head of the Inspection and Control Office of the secretariat, after noting a scarcity of corn in the capital of Guadalajara due to hoarding. With respect to the establishments that were closed, the owners were guilty of violating official prices in their sale of basic products. Others had hoarded sugar, cigarettes, flour, cooking oil, and other articles. [By Eduardo Chimely] [Excerpt] [Mexico City EXCELSIOR in Spanish 15 May 83 p 1 pt 2] 11,464

AMBASSADOR TO JAPAN--President Miguel de la Madrid has appointed Sergio Gonzalez Galvez new ambassador to Japan. Gonzalez Galvez is a career diplomat and has been member of several international bodies. [PA170407 Mexico City EL NACIONAL in Spanish 10 Jun 83 p 1]

BANK DEPOSITS INCREASE--The Bank of Mexico has announced that up until 31 May, the country had accrued 617.3 billion pesos in foreign currency through credit institutions and treasury certificates. Of this amount, 406.3 billion were accrued by commercial banks, 74.2 billion by the development banks, and 136.8 billion by treasury certificates sold to companies and private individuals. [Summary] [PA 190042 Mexico City EXCELSIOR in Spanish 13 Jun 83 p 4-a]

CSO: 3248/963

COSTS OF U.S. 'SILENT WAR' AGAINST COUNTRY DETAILED

PA201912 Managua Radio Sandino Network in Spanish 1200 GMT 20 Jun 83

[Text] The U.S. Government's silent war on Nicaragua is being directed at the civilian population and at the development centers for social and economic change particularly.

In the last few days, the former Somozist guards and the traitors, with the complicity of neighboring countries, have increased their military activities from Honduran territory. They have used mortars against the town of Teotecacinte, Jalapa Municipality, Nueva Segovia.

More than 500 Nicaraguans have died so far this year as a result of the implementation of the plans concocted by Reagan and his advisers, which are intended to destabilize the revolutionary government through a criminal and adventuristic policy.

In addition to this, more than \$50 million have been lost as of April 1983 because of the aggression. Losses include machinery, schools and health centers that have been destroyed; forest fires; damage to tobacco and coffee crops; and losses in livestock. There have also been delays in hydroelectric works, the construction of roads and in agrarian reform, forest, education, and health programs.

Imperialism has broken the record for espionage flights over our national territory: from 1981 to April 1983, there have been 526 such flights. During the same period, the imperialists have carried out 61 violations of our territorial waters. There have been 144 armed infiltrations by counterrevolutionary former Somozist guards and a total of 277 border harassment operations, according to the latest information secured by the Government of National Reconstruction.

These criminal actions, shamelessly carried out by the Reagan Administration, confirm the charges filed by revolutionary leaders at national and international forums.

Reagan and his war policy threaten not only Nicaragua but the rest of the Central American region as well. Nicaragua reaffirms that it will not only

defend its revolution, but will deepen it until the country achieves full reconstruction and total economic and social development. To do so, the Revolutionary Government and the National Directorate will give all of their weapons to the people, who will defend the undefeatable Nicaraguan revolution at any cost.

CSO: 3248/954

REAGAN SPEECH IN MISSISSIPPI CALLED 'PROVOCATIVE'

PA212319 Managua Radio Noticias in Spanish 1200 GMT 21 Jun 83

[Text] Ronald Reagan spoke again yesterday, and again he attacked Nicaragua. Addressing Republican Party leaders at a charity dinner in Jackson, Mississippi, Reagan asked them not to pay any attention to those who want to disarm the friends of the U.S. Government. If we allow this, he added, the flow of refugees to the United States will not stop. Reagan admitted the shortcomings of U.S. allies in matters of human rights, but said it should not be used as an excuse to deny them arms to defend themselves.

In this manner, Reagan was obviously trying to justify the supply of arms to El Salvador and other dictatorships in Latin America.

Before the meeting in Jackson, Reagan met with Richard Stone, U.S. ambassador at large for Central America, who delivered his report on his visit to Latin America.

Meanwhile, political observers have called Reagan's speech provocative and an open accusation against Nicaragua. They also termed it a strong defense of countries which, like Honduras and El Salvador, have expressed their alliance with the U.S. Government.

In what can be considered an interventionist threat, Reagan said that the United States must halt what he called a Marxist advance in Central America.

CSO: 3248/954

FSLN LEADER HAILS PEOPLE'S CAPACITY FOR DEFENSE

PA200218 Managua Domestic Service in Spanish 2155 GMT 19 Jun 83

[Excerpt] Commander Luis Carrion Cruz, member of the FSLN National Directorate, speaking at the closure of a National Financing System seminar, explained how imperialism carries out its aggressive plans against the Nicaraguan people and how it supports the Somozist counterrevolutionary bands.

[Begin Carrion recording] The logistics used by the counterrevolutionary groups in a week are superior to all the logistics the FSLN used in the last 2 months of the final offensive against the Somozist dictatorship. The FSLN never had the quality nor quantity of arms that the counterrevolutionaries have. Furthermore, the Somozist guardsmen are better armed today than they ever were during the time of the dictatorship in this country.

Nevertheless, the counterrevolutionary invasion has been defeated. All their main plans have been aborted. With far fewer resources and far fewer facilities, the FSLN was able to organize two general rebellions and several partial rebellions; it carried out a war in the heart of the enemy's fortress. We defeated the dictatorship and all its military and security structure that for many years had been in power spreading terror in the country.

The only explanation, the only reason--which is the same reason why the counterrevolution does not have a chance to win in Nicaragua--is that before, as today and always, the people, their attitude, and determination are the factor that determines the defeat or victory of the revolutions and counterrevolutions. Today, as before, the people have had extraordinary knowledge of how to rise to the defense of the homeland and the revolution. [end recording]

CSO: 3248/954

CLERGY ASSOCIATION DECIDES TO DISSOLVE

Managua LA PRENSA in Spanish 7 May 83 pp 1, 12

[Text] The National Association of the Clergy (ACLEN), an organization of Nicaraguan priests represented in the Council of State, has issued a circular proposing to disband.

The action by ALEN, in the form of a letter expressing disappointment, addresses the membership with an invitation to a meeting to be held on 25 May to transact the dissolution of the association "in its present form."

The signers of the letter, the Revs. Alfonso Alvarado Lugo and Francisco Javier Llasera, president and secretary respectively of ALEN, state that "the clergy association is involved in a very serious crisis, and it is impossible to postpone any longer any appropriate analysis and result."

According to the letter, one of the reasons why ALEN is dissolving is the nearly complete nonattendance of members at the group's regular meetings. New members have not joined the group "because they see that this organization lacks the blessing of their respective bishops."

Also many priests believe that ALEN does not serve the purpose a clergy association should have.

In closing, the ALEN letter exhorts all the members to attend the final session which will dissolve the group: "We believe that the only possible action is to propose the dissolution of ALEN in its present form." The National Association of the Clergy is composed of over 100 priests.

11989
CSO: 3248/871

BRIEFS

RAMIREZ LEAVES CONAPRO--Erick Ramirez Benavente resigned as executive secretary of the National Confederation of Professional Organizations (CONAPRO) owing to his new political office as an official of the Social Christian Party. At the latest meeting of the CONAPRO board of directors, Ramirez Benavente explained to the group the need to resign because he was assuming a political function incompatible with his professional capacity. The CONAPRO directors accepted the executive secretary's explanations and accepted his resignation from the post. Erick Ramirez announced that as of yesterday he was assuming the role of first vice president of the Social Christian Party; he needed to work full time at his new position in order to fulfill the tasks which had been assigned to him. As of today it is not known who will replace Ramirez Benavente as executive secretary of CONAPRO. [Text] Managua LA PRENSA in Spanish 6 May 83 p 8] 11989

NEW CONSTRUCTION MINISTER--"We will use every ounce of our strength in order to continue the successful work of MICONs [Ministry of Construction] on the northern border and soon on the southern frontier." This promise was made to over 1,000 workers at agency headquarters by the new MICONs minister, Guerrilla Commander Mauricio Valenzuela, at his installation ceremony. At the ceremony it was announced that 40 workers there present would be mobilized in the next few days as reserve battalions to be sent into action against Somozist forces. Valenzuela awarded medals to 29 workers from the headquarters construction unit and exhorted all sectors of the ministry "from the last employee to the administrators, to be more efficient, because the task is enormous and complex. We must build the new society, and therefore we must unite defense with labor to guarantee the real possibility of the construction of the new nation." He gave public recognition to the MICONs workers who are now opening roads into the combat zones so that the peasants can move their products to market and live better. Also presiding were the vice ministers of MICONs, Filiberto Nunez and Enio Diaz, and Mario Flores and Maria Antonia Medrano, representing Zone 5 of FSLN [Sandinist National Liberation Front], who called on the workers to redouble their productive effort in order to fill the gap left by those who are going off to the field of battle. [Excerpts] [Managua BARRICADA in Spanish 13 May 83 p 12] 11989

CDS MEMBERSHIP--The Sandinist Defense Committees [CDS] of Managua have pledged to induct 30,000 new members to salute the fourth anniversary of the Sandinist People's Revolution. They have also pledged to improve their cadres, to hold assemblies to examine their pitfalls and errors, and to give incentives to the best CDS members and revolutionary guards. [Summary] [Managua BARRICADA in Spanish 13 Jun 83 p 7 PA]

BULGARIAN, DPRK DONATIONS--The Bulgarian Government and people have made a large donation to the Sandinist Defense Committees, CDS. The donation includes blankets, typewriters, calculators, adding machines, pens, food and medicine. Bulgarian Ambassador Kiril Zlatkov Nikolov presented the donation to CDS Secretary General Commander Leticia Herrera. The CDS secretary said that part of the donation will be allocated to the troops on the border defending the homeland. The DPRK has donated 2,000 tons of corn to the Nicaraguan people. The donation agreement was signed by Domestic Trade Minister Dionisio Marenco during his recent visit to Korea. [Summary] [PA180313] Managua Sistema Sandinista Television Network in Spanish 0200 GMT 17 Jun 83]

END OF SUGAR HARVEST--The sugar harvest ended this week with a ceremony at the Camilo Ortega sugar mill that was presided over by Guerrilla Commander Lumberto Campbell, Atlantic coast minister [title as heard], and Manuel Coronel Kautz, deputy minister of agricultural development representing Commander of the Revolution Jaime Wheelock. Companero Coronel Kautz congratulated the workers for surpassing the established production goal in the 1982-1983 harvest. The goal was 105,000 quintals, but the workers produced 112,000 quintals. It was stressed that the cooperation of the technicians and sugar workers of the fraternal Republic of Cuba with their example and dedication encouraged the Nicaraguan workers to increase their production. [Summary] [PA180313] Managua Sistema Sandinista Television Network in Spanish 0200 GMT 17 Jun 83]

CSO: 3248/954

PST CRITICIZES PAREDES ON SCHOOL OF AMERICAS

PA212307 Panama City YA in Spanish 21 Jun 83 pp 16, 21

[Text] On confirming that the School of the Americas located at Fort Gulick, Colon, will remain in Panama, the Panamanian military government's proimperialist position becomes obvious.

National Guard Commander General Ruben D. Paredes "is continuing the same line taken by (Omar) Torrijos, who legalized the Yankee military bases to favor the U.S. Army and the U.S. Government," says a communique issued yesterday by the Workers Socialist Party (PST) entitled "Away With the School of the Americas Now."

"The Panamanian Government, and more specifically, the general currently in power, has been the lackey most submissive to imperialist policies for the Central American region; and because of this it is the most important ally that the United States currently has in Central America," the PST document adds.

The communique also points out that General Paredes accepted the continuation of the School of the Americas in our country "by order of the Pentagon" at a time when there are serious difficulties in the Central American area.

In the final part of the communique, the PST calls on "all the workers, students, organizations and parties, laborers, and antimilitarists in the country to struggle for the eradication of the School of the Americas and other U.S. military bases in Panama and all of Central America, and also against the U.S. intervention in our Central American countries."

CSO: 3248/957

BRIEFS

NEW NEWSPAPER--The first edition of EXPRESO DOMINICAL appeared on 19 June. It is directed by Eurindia Cordoba, who is a reporter for YA. [Summary] [PA240214 Panama City LA REPUBLICA in Spanish 22 Jun 83 p 5]

LIBERAL PARTY PRESIDENT--The Electoral Board has issued a resolution giving legal recognition to the 8 May Liberal Convention and to the election of Roderick Esquivel as Liberal Party president. The resolution also recognizes the party's four vice-presidents. [Summary] [PA240214 Panama City Televisora Nacional in Spanish 2300 GMT 20 Jun 83]

UK INTEREST IN AIRPORT--First Secretary (Dennis Torley) and Commercial Attaché Peter Golding, both of the British Embassy in Panama have expressed their country's interest in the project to build the new Paitilla Marcos Gelabert airport. To this effect, they visited Civil Aeronautics offices to become acquainted with the project planned by Panamanian experts with the aid of Israeli specialists. [Summary] [PA240214 Panama City Televisora Nacional in Spanish 2300 GMT 22 Jun 83]

NEW AMBASSADORS--The following ambassadors have presented their credentials to President Ricardo de la Espriella: from the United Kingdom, Ambassador (Terence Harry Steigel), former consul in La Paz; from Indonesia, Ambassador Husni Thamrin Pane; and from the FRG, Ambassador Dr Joachim Naumann, former director of the Latin American Affairs Department of the FRG Foreign Ministry. [Summary] [PA172342 Panama City Circuito RPC Television in Spanish 1715 GMT 13 Jun 83]

FISHERIES COMMISSION--The government has reactivated the National Fisheries Commission after 11 years of inactivity. Members of the commission have been appointed for 3 years. It is scheduled to hold its first meeting within a month. [Summary] [PA172342 Panama City LA PRENSA in Spanish 13 Jun 83 p 10c]

COFFEE EXPORTS--Bruno Garisto, deputy director of the Agricultural and Livestock Marketing Institute, reported yesterday that the National Coffee Commission [Comision Nacional del Cafe] has evaluated the production and marketing of this product during the 1982-83 period, and has determined that more than 50 percent of the total national production was exported, bringing the country an income of 12.75 million balboas. He said that of the 185,000 quintals of coffee produced, 100,136 quintals--which represent 54 percent of the total production--were exported. The remaining 46 percent was used for local consumption. [Summary] [PA182159 Panama City MATUTINO in Spanish 18 Jun 83 p 6-a]

CSO: 3248/957

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July 13, 1983